



January 26, 2015

To: Clients and Friends

From: David F. Dulock

Subject: FHA Annual MIP Rates Reduced – ML 2015-01 (January 9, 2015)

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Effective for case numbers assigned on or after January 26, 2015, FHA Mortgage Letter 2015-01 ([ML 2015-01](#)) reduces annual MIP rates for FHA Title II forward mortgages and provides FHA lenders the opportunity for cancellation of existing case numbers in order to utilize the MIP rates contained in ML 2015-01. See Table below:

Term > 15 Years			
Base Loan Amt.	LTV	Previous MIP	New MIP
≤ \$625,500	≤ 95.00%	130 bps	80 bps
≤ \$625,500	> 95.00%	135 bps	85 bps
> \$625,500	≤ 95.00%	150 bps	100 bps
> \$625,500	> 95.00%	155 bps	105 bps
Term ≤ 15 Years			
≤ \$625,500	≤ 90.00%	45 bps	45 bps
≤ \$625,500	> 90.00%	70 bps	70 bps
> \$625,500	≤ 78.00%	45 bps	45 bps
> \$625,500	78.01% - 90.00%	70 bps	70 bps
> \$625,500	> 90.00%	95 bps	95 bps

ML 2015-01 reduces the rate for annual MIP for all Title II forward mortgages, with terms greater than 15 years, **except:** (1) single family forward streamline refinance transactions that are refinancing existing FHA loans that were endorsed on or before May 31, 2009; and, (2) Section 247 mortgages (Hawaiian Homelands).

To allow FHA lenders to obtain the reduced annual MIP rates contained in ML 2015-01 for loans in process with active FHA Case Numbers, FHA will temporarily approve cancellation requests for active FHA Case Numbers within 30 days of the effective date of ML 2015-01. FHA will provide operational details on case cancellations through FHA Info notifications and on FHA's lender information page at www.hud.gov/lenders.

ML 2015-01 supersedes the annual MIP rates established in ML 2013-4. All other sections of ML 2013-4 remain in effect.

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