

INCREASE IN UPFRONT PREMIUMS FOR FHA MORTGAGE INSURANCE

Effective for all FHA loans with Case Number assignments on or after April 5, 2010, FHA will collect an upfront mortgage insurance premium (UFMIP) of 2.25% per Mortgagee Letter 2010-02. This policy change will increase premiums for all FHA transactions (including purchases, refinances and streamline refinances). Pinnacle Capital Mortgage will require that all loans reflect the new UFMIP amounts per ML 2010-02.

Please refer to the matrixes below for guidance on MIP amounts based on the Case Number assignment date:

Case Numbers assigned on or after April 5, 2010:

Up-Front Mortgage Insurance Premiums:

Purchase Money Mortgages and Full-Credit Qualifying Refinances:	2.25%
Streamline Refinances (all types):	2.25%

Annual Mortgage Insurance Premiums:

Annual MIP for Loans > 15 Years

LTV > 95%:	0.55%
LTV <=95%:	0.50%

Annual MIP for loans <=15 Years

LTV > 90%:	0.25%
LTV <= 90%:	None

Case Numbers assigned October 1, 2008 through April 4, 2010:

Up-Front and Annual Mortgage Insurance Premium

Mortgage Term > 15 years

LTV	Purchase & Refinance	Streamline Refi
> 95%	1.75% / .55%	1.50% / .55%
<= 95%	1.75% / .50%	1.50% / .50%

Up-Front and Annual Mortgage Insurance Premium

Mortgage Term <= than 15 years

LTV	Purchase & Refinance	Streamline Refi
> 90%	1.75% / .25%	1.50% / .25%
<=90%	1.75% / 0%	1.50% / 0%

PCM FHA Guidelines will soon be updated with this information.

