



**MFM Bulletin: 010-2023**

**Date:** March 1, 2023

**Subject:** FHA Annual MIP Rate Reduction

MFM is pleased to announce that FHA has issued Mortgagee Letter 2023-05 reducing the Annual Mortgage Insurance Premium rates. The changes also amend the Base Loan amounts threshold used to establish MIP rates to the national conforming loan limit.

The new rates are effective for case number endorsed on or after March 20<sup>th</sup>, 2023. However, MFM will implement this change immediately to allow members to take advantage of the reduction in rates.

The Upfront Mortgage Insurance Premium rate remains the same at 1.75%. The following are the changes to the Annual Mortgage Insurance Premiums (MIP).

**Applies to all mortgages except:**

- Streamline Refinances and Simple Refinances used to refinance a previous FHA loan closed **on or before May 31<sup>st</sup>, 2009.**
- **Hawaiian Home Land (section 247).**

Mortgage Term of More Than 15 Years			
Base Loan Amount	LTV	MIP (bps)	Duration
Less than or equal to <b>\$726,200</b>	≤ 90.00%	50	11 years
	> 90.00% but ≤ 95.00%	50	Mortgage Term
	> 95.00%	55	Mortgage Term
Greater than <b>\$726,200</b>	≤ 90.00%	70	11 years
	> 90.00% but ≤ 95.00%	70	Mortgage Term
	> 95.00%	75	Mortgage Term

Mortgage Term of Less Than or Equal to 15 Years			
Base Loan Amount	LTV	MIP (bps)	Duration
Less than or equal to <b>\$726,200</b>	≤ 90.00%	15	11 years
	> 90.00%	40	Mortgage Term
Greater than <b>\$726,200</b>	≤ 78.00%	15	11 years
	> 78.00% but ≤ 90.00%	40	11 years
	> 90.00%	65	Mortgage Term

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**Streamline Refinance, Simple Refinance:**

<b>For refinance of previous Mortgage endorsed on or before May 31, 2009</b> UFMIP: 1 (bps) (.01%) All Mortgages			
<b>All Mortgage Terms</b>			
<b>Base Loan Amount</b>	<b>LTV</b>	<b>Annual MIP (bps)</b>	<b>Duration</b>
All	≤ 90.00%	55	11 years
	> 90.00%	55	Mortgage Term
For Mortgages where FHA does not require an appraisal, the value from the previous Mortgage is used to calculate the LTV.			