

GREAT NEWS FOR FIRST TIME HOME BUYERS!



FHA REDUCES MORTGAGE INSURANCE

The Department of Housing and Urban Development (HUD), through the Federal Housing Administration (FHA), announced a 30-basis point reduction to the annual mortgage insurance premiums (annual MIP). In addition to providing overall savings to borrowers, a lower annual MIP can also help more people qualify for a mortgage. This reduction will allow FHA Home Buyers to save an average of **\$800** annually on mortgage payments.

Mortgage Term of More than 15 Years				
Base Loan Amount	LTV	New MIP (bps)	Previous MIP (bps)	Duration
Less than or equal to \$726,200	≤ 90.00%	50	80	11 years
	> 90.00% but ≤ 95.00%	50	80	Mortgage term
	> 95.00%	55	85	Mortgage term
Greater than \$726,200	≤ 90.00%	70	100	11 years
	> 90.00% but ≤ 95.00%	70	100	Mortgage term
	> 95.00%	70	105	Mortgage term

Mortgage Term of Less than or Equal to 15 Years				
Base Loan Amount	LTV	New MIP (bps)	Previous MIP (bps)	Duration
Less than or equal to \$726,200	≤ 90.00%	15	45	11 years
	> 95.00%	40	70	Mortgage term
Greater than \$726,200	≤ 78.00%	15	45	11 years
	> 78.00% but ≤ 90.00%	40	70	Mortgage term
	> 90.00%	65	95	Mortgage term

*Effective for mortgages endorsed for FHA insurance on or after March 20, 2023. Excludes Streamline Refinance and Simple Refinance Mortgages used to refinance a previous FHA endorsed Mortgage on or before May 31, 2009, or Hawaiian Home Lands (Section 247) loans.

For all of your mortgage needs, call your trusted local lender today!



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