

Cancelling Private Mortgage Insurance

6-6-17

Mortgage Insurance Cancellation - Fannie/Freddie				
(Fannie Servicing Guide B-8.1-04) (Freddie Servicing Guide 8203.2 & 8203.3) For Loans* with Note Dates on or after July 29, 1999				
Borrower-Requested Cancellation				
Property Type	Based on Original Value (Servicer <u>may</u> require BPO or appraisal and will charge borrower)		Based on Current Value (Servicer <u>will</u> require BPO or appraisal and will charge borrower)	
	Fannie	Freddie	Fannie	Freddie
1-unit Primary or Second Home	<ul style="list-style-type: none"> LTV must be 80% or less No 30 day lates on subject mortgage in previous 12 months No 60 day lates on subject mortgage in previous 24 months No minimum seasoning required 		<ul style="list-style-type: none"> LTV must be 80% or less, if ≥ 5 years since note date LTV must be 75% or less, if ≥ 2 years but < 5 years since note date No 30 day lates on subject mortgage in previous 12 months No 60 day lates on subject mortgage in previous 24 months 	
	Value Increase Due to Substantial Improvements			
			<ul style="list-style-type: none"> LTV must be 75% with no minimum seasoning LTV must be 80% with 2 year minimum seasoning 	<ul style="list-style-type: none"> LTV must be 80% No minimum seasoning
2-4 unit Primary or 1-4 unit Investment	<ul style="list-style-type: none"> LTV must be 70% or less 	<ul style="list-style-type: none"> LTV must be 65% or less 	<ul style="list-style-type: none"> LTV must be 70% or less No minimum seasoning 	<ul style="list-style-type: none"> LTV must be 65% or less Minimum seasoning of 2 years since note date
	<ul style="list-style-type: none"> No 30 day lates on subject mortgage in previous 12 months No 60 day lates on subject mortgage in previous 24 months No minimum seasoning required 		<ul style="list-style-type: none"> No 30 day lates on subject mortgage in previous 12 months No 60 day lates on subject mortgage in previous 24 months 	
	Value Increase Due to Substantial Improvements			
			<ul style="list-style-type: none"> No special provisions 	<ul style="list-style-type: none"> LTV must be 65% or less No minimum seasoning
Automatic Cancellation				
1-unit Primary or Second Home	Fannie		Freddie	
	<ul style="list-style-type: none"> Automatically cancelled at whichever point occurs first: <ul style="list-style-type: none"> date loan is scheduled to reach 78% LTV or amortization period midpoint date of loan All payments due must be current 			
2-4 unit Primary or 1-4 unit Investment	<ul style="list-style-type: none"> Automatically cancelled at amortization period midpoint of loan All payments due must be current 		<ul style="list-style-type: none"> Not eligible for automatic cancellation 	

* This chart does not include rules for modified mortgages.