



IMPORTANT NOTICE TO HOMEBUYERS

FHA Mortgage Insurance Premium (MIP): FHA collects an upfront premium at mortgage loan closing as well as premiums paid with your monthly mortgage payment.

Canceling FHA's Monthly Insurance Premiums. The monthly mortgage insurance premium will be collected until the loan-to-value of your mortgage reaches 78 percent of the initial sales price of your home provided that premiums are paid for at least five years. You will reach the 78 percent loan-to-value threshold in one of two ways:

- Through normal amortization as you make your monthly payments, or
- Paying additional principal on the mortgage.

If you were not charged an upfront MIP, you will pay the monthly MIP for the life of the mortgage.

Eligibility for MIP Refunds when Refinancing: You may be eligible for a refund of a portion of the upfront insurance premium if you are refinancing with another FHA mortgage. Any refund from the old premium is applied toward the upfront premium required for the new loan.

Under the Freedom of Information Act, individuals and companies, commonly known as third party tracers, may request copies of lists of unpaid homeowners. They may use various techniques to find these homeowners and, for a fee, assist them in acquiring their refunds. You do not need to go through tracers to receive your refunds when you can obtain them directly from HUD for free. For more information on how homeowners can obtain their refunds from HUD, please visit our website at www.hud.gov and click on FHA Refunds.

IMPORTANT NOTICE: The rules governing the eligibility for upfront premium refunds are based on the financial status of the FHA insurance fund and are subject to change.

Should you have any questions regarding your eligibility for a refund of unearned upfront MIP, please contact the Department's Support Service Center on 1-800-697-6967 or via e-mail on sf_premiums@hud.gov.

Help with Preventing Foreclosure: If you become unable to make your monthly mortgage payments, FHA provides a wide range of relief options for borrowers. Immediately contact a HUD-approved housing counseling agency at (800) 569-4287.

Don't Commit Loan Fraud.

- Provide complete and accurate information when applying for a mortgage loan.
- Disclose all loans and debts (including money borrowed to make the downpayment).
- Do not assume the identity of another person or falsify information about your income or assets.
- Do not falsely certify that a property will be your primary residence if you intend to rental it out.
- Do not purchase a property for and then transfer title to another person.
- Do not sign an incomplete or blank document.
- If an individual tries to persuade you to make false statements on a loan application, you should report the matter by calling your nearest HUD Office or HUD's Hotline at (800) 347-3735.

For further information on all of the above information you can access the FHA Resource Center online at <http://answers.hud.gov>, email at hud@cuthelp.com or call FHA toll-free between 8:00 a.m. and 8:00 p.m. EST (5:00 a.m. to 5:00 p.m. PT) at 1-800-CALLFHA or 1-800-225-5342.