



Requesting Mortgage Insurance Removal

Homeowners Protection Act of 1998 (HPA)

For loans covered by the Homeowners Protection Act of 1998 (HPA), lenders are required to remove Private Mortgage Insurance (PMI) on the date your principal balance is first **scheduled** to reach 78% loan-to-value (LTV), provided you are up to date on your payments. You may also request to have the PMI removed from your loan under certain circumstances. Below are a few of the most common scenarios.

Original Value of Your Home

You can request to have PMI removed from your loan when your balance reaches 80% loan-to-value (LTV) based on the **original value** (the sale price or appraised value of your home, whichever was lower) when your loan closed. This may apply if you followed your amortized payment schedule or made a large principal reduction in your loan balance.

If you're requesting to have PMI removed based on the original value, you must:

- Request an interior property valuation ordered through Umpqua Bank to confirm your home's value hasn't declined since the closing of your loan. You'll be required to provide a deposit of \$190 for the valuation cost.
 - **PLEASE NOTE:** Valuation costs vary due to investor requirements, property location and other factors. If the valuation cost will be more than the deposit, you will be contacted with a price quote for your approval. If the valuation cost is less than the deposit, you would be issued a refund of the difference.
- Not have had any 30-day late payments within the past 12 months.
- Not have had any 60-day late payments within the last 24 months.

Current Value of Your Home

You can also request to have PMI removed based on the **current value** of your home. This may apply based on the age of your loan, or if you've made substantial improvements to your home.



If you're requesting to have PMI removed based on the current value, you must:

- Request an interior property valuation ordered through Umpqua Bank to determine your home's current value. You will be required to provide a deposit of \$190 for the valuation cost.
 - **PLEASE NOTE:** Valuation costs vary due to investor requirements, property location and other factors. If the valuation cost will be more than the deposit, you will be contacted with a price quote for your approval. If the valuation cost is less than the deposit, you would be issued a refund of the difference.
- Not have had any 30-day late payments within the past 12 months.
- Not have had any 60-day late payments within the last 24 months.
- Have an LTV of 75% or less based on the new property value, if your loan is between two and five years old.
- Have an LTV of 80% or less based on the new property value, if your loan is over five years old

FHA Loans

Mortgage Insurance Premium (MIP) may be canceled when your FHA loan meets certain criteria, depending on when you either closed on your loan or applied for it.

- **Closed between July 1991 and December 2000:** You'll have MIP for as long as you have the loan.
 - A borrower-initiated removal option does **not** exist for this loan type.
- **Applied between January 2001 and June 2, 2013:** You will be charged the monthly mortgage insurance premiums (MIP) until the loan-to-value of your mortgage reaches 78% of the original value (the sale price or appraised value of your home whichever was lower), and your loan is over five years old.
 - You can request MIP removed from your loan if your balance reaches 78% LTV prior to the original amortized payment schedule, your loan is over five years old, and has not had any 30-day late payments within the past 12 months.
 - A property valuation deposit is **not** needed for this removal type.
- **Applied on or after June 3, 2013:** If your original loan amount was less than 90% LTV, MIP will be removed after 11 years. If the loan amount was 90% LTV or more, you'll have MIP for as long as you have the loan.
 - A borrower-initiated removal option does **not** exist for this loan type.



USDA/Rural Housing Loans

Mortgage insurance is required for the life of the loan.

Moving Forward

These guidelines don't apply to every loan. There are also specific guidelines based on the investor who owns your loan, as well as the occupancy status. If you have questions or need specific loan details, please call us at 1-877-367-5773.

If you think you meet the criteria and would like to move forward, we have included a Mortgage Insurance Removal Request form for your use. Please sign and date the form and enclose a check payable to Umpqua Bank for the valuation deposit. You may return the signed form to us either at a branch location near you or by mail to the address listed on the form. The process typically takes about 30 days.



Loan #: _____

Borrower Name: _____

Property Address: _____

Daytime Contact Phone: _____

Email Address: _____

Do you prefer to be contacted via email? Yes No

Please consider my request to cancel the Mortgage Insurance (PMI or MIP) policy attached to my mortgage.

- I understand there are several qualifying components based on the status of my loan and the investor who owns my loan.
- I understand valuation costs vary due to investor requirements, property location and other factors. I may receive a refund of the deposit difference or may be asked to pay a higher amount for the valuation of my property.
- I have enclosed a check made payable to Umpqua Bank in the amount of \$190 as a deposit for a property valuation.
- I request and authorize the ordering of an interior property valuation to determine the value of my home for use in removing PMI from my loan.

Does your request include substantial improvements? Yes No

If yes, a brief list of the improvements, including completion date and cost must be returned with the removal request.

Mailing address:
Umpqua Bank
PO Box 2216
Spokane WA 99210

(Borrower)

(Date)

(Co-Borrower)

(Date)