

This program offers Single Premium Lender Paid Mortgage insurance as an alternative to a borrower paid policy.

TABLE OF CONTENTS

- [What Is Single Premium LPMI?](#)
- [What Loan Programs are Eligible?](#)
- [How To Price](#)
- [How Does The Policy Get Ordered?](#)
- [Changing Loan Programs](#)
- [Disclosures](#)

What is Single Premium Lender Paid Mortgage Insurance?

- An insurance option that provides a cost-effective, efficient alternative to standard borrower-paid MI premium rates.
- We, the lender, pay for the borrower’s mortgage insurance upfront
- The cost of the policy is usually built into the loan’s interest rate, so the borrower will not pay upfront or monthly mortgage insurance premiums (No cancelation required)

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What loan programs are eligible for LPMI ?

- LPMI is available on standard conventional loans. Cash-out Refinances, expanded loan terms, investment properties and high-balance mortgages included.

The eligible product list includes:

Eligible FNMA (DU) Products	Eligible FHLMC (LP) Products
Conf Fixed 10 Yr (LPMI)	CONF LP Fixed 10 Yr (LPMI)
Conf Fixed 15 Yr (LPMI)	CONF LP Fixed 15 Yr (LPMI)
Conf Fixed 20 Yr (LPMI)	CONF LP Fixed 20 Yr (LPMI)
Conf Fixed 25 Yr (LPMI)	CONF LP Fixed 25 Yr (LPMI)
Conf Fixed 30 Yr (LPMI)	CONF LP Fixed 30 Yr (LPMI)
Conforming 5/1 Libor ARM 2-2-5 (LPMI)	Conforming LP 5/1 Libor ARM 2-2-5 (LPMI)
Conforming 7/1 ARM Libor 5-2-5 (LPMI)	Conforming LP 7/1 ARM Libor 5-2-5 (LPMI)
Conforming 10/1 ARM Libor 5-2-5 (LPMI)	Conforming LP 10/1 ARM Libor 5-2-5 (LPMI)

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How Do I Price A Single Premium Lender Paid MI Loan?

In order to price-out LPMI in Marksman, you must select an eligible product from the product category dropdown. Eligible products are listed below. Then, under MI Coverage / Company, select LPMI (Investor). This will automatically take into consideration the back-end costs of the insurance policy and build them into your rate. Like any mortgage insurance product, the policy rate, and in turn the borrower's interest rate will increase as your LTV increases and your FICO score decreases.

Loan Criteria	Base Info	Closing Fee Detail	Profit Detail	Product & Investor Info	A
Product Category	Conf 30 Yr Fixed				
Purchase Price/Value (\$)	250000			Investor	
Loan Purpose	Purchase			Original Investor	
Property Type	1 Unit			FICO Score	
State, ZIP	Florida			Occupancy	
County	Broward			Target Price	
Max Base Loan Amount (\$)	0	>= 10/01		Min/Max Rate	
Loan Amount (\$)	218975			View	
Down Payment (\$)	31025			DTI *Required	
LTV (%)	87.59			Area Median Income	
CLTV (%)	87.59			Lock-In Days	
Secondary Financing	None			Delivery Type	
MI Coverage / Company	BPMI (Stand: / Best Ex.			Declining Market ?	
Coverage Type	N/A			Waive Escrow	
Finance PMI	LPMI (Investor)			Round Price	
First Time Home Buyer	<input type="checkbox"/>			View Pricing As ?	

NOTE: Correspondents should price the loan under the standard Conforming 30 product line-up, taking into consideration any premium pricing they may need; they do not need to utilize NPF's LPMI pricing.

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How Does The Policy Get Ordered?

- All Single Premium Lender Paid MI policies will be ordered by the New Penn Centralized MI Team.
- When a LPMI loan is selected, the loan's information will populate the MI Team's reports and notify them that the file requires a Single Premium Lender Paid MI Policy.
- Other than correctly selecting the product, no other steps are required by the Sales, Clients, Processing, and/or Account Managers.

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Changing Loan Programs

- What happens if my borrower wants borrower paid MI instead?
 - Because this is a separate loan program with unique disclosures and pricing, if your borrower decides they no longer want Lender Paid MI, you must change their loan program, re-price, and re-disclose the file with borrower paid MI.
 - On the other hand, if your borrower has monthly or financed MI and decides to switch to Lender Paid MI, you must change their loan program, re-price, and re-disclose the file with borrower paid MI.

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Disclosures

- The **Notice Concerning Private Mortgage Insurance- LPMI Disclosure** will be generated by DocuTech with your initial disclosure package when the Conf 30 [\(TOP\)](#)

Notice Concerning Private Mortgage Insurance - LPMI Disclosure

Date: **APRIL 23, 2013**

Lender: **NEW PENN FINANCIAL, LLC**

Borrower(s): **MARY K SAMPLE
HUBBY SAMPLE**

Property Address: **1002 ANY ST, CHICAGO, PA 60632**

SAMPLE
Loan #: 2109040037
MN: 100754421090400379

You have applied for a mortgage loan that requires private mortgage insurance ("PMI"). PMI protects lenders and others against financial loss when borrowers default. Your loan will have "lender paid" mortgage insurance ("LPMI").

Lender paid mortgage insurance differs from "borrower paid" mortgage insurance ("BPMI") in several ways, and each form of insurance has advantages and disadvantages.

- First, LPMI may not be cancelled by you, the borrower. By contrast, borrowers may be able to cancel BPMI on either (a) the date the principal balance of the mortgage loan is first scheduled to reach 80% of the original value of the property or (b) the date the principal balance actually reaches 80% of the original value of the property. In addition, assuming the borrower is current on payments, BPMI automatically terminates on the date the principal balance of the loan is scheduled to reach 75% of the original value of the property.

For Approved Clients: Contact 877-930-PENN
or email portalsupport@newrez.com

Interested in becoming approved?

Contact us at 888-852-5631 or visit our [Get Approved Page](#)



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