PMI CANCELLATION REQUEST FORM

Member Information:

Member Name: _____ Account Number and Suffix:_____

Date Requested: _____ Requested By:_____ Branch: Extension:

Contact Information: Home:_____ Cell:_____ Work:_____ E-mail Address:_____

Dear Member,
This information is being provided to you due to your request to have the PMI removed from this loan.

In order to comply with Federal regulations (Homeowner's Protection Act of 1998) you will be notified at least once annually of your options regarding the cancellation of Private Mortgage Insurance (PMI). PMI protects lenders and others against financial loss in the event borrowers default. Federal Law provides that under certain circumstances, you may have the right to cancel PMI. Federal Law also established when PMI must be cancelled. The following describes those cancellation rights.

- **Automatic Termination**

If you are current on your mortgage loan payments, **PMI will automatically terminate** when the principal balance of your loan is scheduled to reach, based solely on the initial amortization schedule, 78% of the original value of the property. If, at that time, you are not current on your mortgage loan payments, PMI will automatically terminate on the first of the following month after the date on which you become current. No action is required from you, and a notice will be sent to the mailing address that we have on record for you when the PMI coverage is terminated

- **Borrower Requested Cancellations before Automatic Termination**

You have a right to request cancellation of PMI at any time on or after the date on which the principal balance of your loan, based solely on the initial amortization schedule, is first scheduled to reach 80% of the **original value** of the property securing the loan **or** the date on which the principal balance of the loan, based solely on actual payments made, reaches 80% of the original value of the property securing the loan.

Please note: If your property value has declined below its original value we are not required under the Act to cancel the Private Mortgage Insurance. Please refer to item # 5(a) below for additional information.

PMI shall then be cancelled if **all** of the following requirements are met:

1. You must submit your cancellation request in writing.
2. You must have had your mortgage established for a period of two years.
3. Your mortgage loan must have a good payment history. "Good payment history" means that you have not made a mortgage payment that was 60 days or more past due in the last 24 months preceding the date on which the mortgage insurance will be canceled and that you have not made a mortgage payment that was more than 30 days past due during the 12 months preceding the date on which the mortgage insurance will be canceled.
4. You must be current on your mortgage loan payments as required by the terms of your mortgage loan.
5. You must have satisfied the note holder's request for:
    a. Evidence that the value of the property securing the note has not declined below its original value; and
    b. Certification that you do not have a subordinate lien on the equity in the property.

- **Loan has met investor (FHA, FNMA, FHLB, FMAC) requirements**

I (we) understand the above information and I (we) hereby request that the PMI Insurance on my (our) mortgage loan can be cancelled based on the following criteria:

☐ **Pay down the principal balance to 80% LTV.**
    ☐ Cashiers check for principal reduction is attached.
    ☐ Withdraw $ from ☐ Checking ☐ ?Savings and apply as principal reduction.

☐ **Property improvements have been made which increased the value to at least 80% LTV.**
    ☐ List of property improvements is attached.
    ☐ New appraisal is attached or ☐ I request that a new appraisal be preformed (a check for $435.00 is enclosed)

☐ **Current value of the property is at least 80% LTV.**
    ☐ New appraisal is attached. ☐ I request that a new appraisal be preformed (a check for $435.00 is enclosed)

☐ **The current amortized principal balance has reached 80% LTV.**

If a new appraisal is being used or requested it does not guarantee that this PMI waiver will be approved. This request will be reviewed by management and you will be informed of the outcome by mail.

_____ _____

Member Signature **Date** **Member Signature** **Date**