

## Mortgage Cadence and FHA Annual MIP Changes

Virginia Housing is following Federal Housing Administration (FHA)'s MIP changes related to HUD Mortgagee Letter 2023-05 published on February 22, 2023. In this Mortgage Letter, FHA announced the reduction of the annual MIP for loans endorsed on March 20, 2023 or later.

The annual MIP in our loan origination system (LOS); Mortgage Cadence, was previously automatically calculated and prohibited any edits from being made. Mortgage Cadence is now temporarily allowing a user to change the percentage of the annual MIP, which will then automatically change the monthly MIP dollar amount included in the PITI for ratios.

[Click here to learn how you can change the MIP in Mortgage Cadence](#)

### **Loans not yet submitted to Virginia Housing for purchase:**

As the Originating Lender, you are responsible for updating the annual MIP for all loans that have not been submitted to Virginia Housing for purchase. *Any loan where the MIP is reduced by the Originating Lender that is endorsed by FHA prior to March 20, 2023:* Virginia Housing will correct the MIP in Mortgage Cadence, and it may require the submission of updated documents showing the higher amount.

### **Loans submitted to Virginia Housing for purchase and purchased loans:**

Virginia Housing will update the MIP once the endorsement (Mortgage Insurance Certificate or MIC) has been provided and confirms a date of March 20, 2023, or later.

### **Looking ahead:**

Virginia Housing will update Mortgage Cadence to automatically calculate at the lower MIP amounts in the near future.

**Questions on a loan not yet purchased by Virginia Housing?** Contact [HomeownershipSupport@VirginiaHousing.com](mailto:HomeownershipSupport@VirginiaHousing.com)

**Questions on a loan purchased by Virginia Housing?** Contact [LoanServicing@VirginiaHousing.com](mailto:LoanServicing@VirginiaHousing.com) or call **800-235-6938**.

across Virginia, and we thank you for being part of our mission for 50 years.

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