PRIVATE MORTGAGE INSURANCE REMOVAL REQUEST FORM & REQUIREMENTS

Purpose: If you have a conventional mortgage loan, and your down payment was less than 20% of the purchase price, you likely have Private Mortgage Insurance ("PMI"). When you reach 80% loan-to-value ("LTV"), you can use this form to request BSI Financial Services ("BSI") to remove the PMI.

BORROWER INFORMATION

Loan Number:	**Property Address:**
Borrower's Full Name:	**City, State, Zip:**

Step 1. Complete the above fields with your mortgage loan information.

Step 2. Follow the hyperlinks to review the PMI Eligibility Requirements, PMI Cancellation Table, and the Frequently Asked Questions ("FAQs") in their entirety.
If you have any questions, please contact our Customer Care Department at 1-800-327-7861 M-F 08:00am – 09:00pm EST and SAT 09:00am – 01:00pm EST.

Step 3. Read the below terms and conditions, make the appropriate selection, and sign below.

BORROWER CONSENT

Your signature indicates that:

- You fully understand the PMI Eligibility Requirements, the PMI Cancellation Table (pg 2.) and have reviewed the FAQs (pg.3).
- You consent for BSI to order a new valuation. A new valuation is either an appraisal or a Broker Price Opinion ("BPO").*
  - **IMPORTANT NOTE**: Do not order your own valuation; it **must** be ordered by BSI.
- You understand that a check or money order for the valuation deposit must be paid to BSI before your review for PMI termination will commence.
- You consent to pay the complete **non-refundable** property valuation fee (appraisal or BPO) regardless of the returned value of the property. The full cost of valuations can vary depending on state and market conditions. The cost of an appraisal can cost up to $600 or more. The cost of a BPO can cost up to $200 or more.**
  - Appraisal Deposit, required for properties located in the following states: AL, CT, DE, GA, ID, KY, MD, MS, NJ, NC, ND, OR, PA, RI, SC, TN, UT, WV, and Washington DC
    - $450 for Fannie Mae loans; $475 for all other loans (Freddie Mac, FHA, VA, USDA, Privately-owned)
  - BPO Deposit required for all states not listed in the Appraisal section above:
    - $190 for Fannie Mae loans; $150 for Freddie Mac loans; $135 for all other loans (FHA, VA, USDA, Privately-owned)
  - The check or money order for this valuation deposit should be sent to the address below with your form and include your loan number and "PMI Removal Valuation Deposit" in the memo field.
- You understand that the valuation process may take up to four weeks to complete. We will notify you of the results of our determination by mail within 30 business days of receipt of the valuation.
- If the age of your loan is less than 24 months, you are required to submit a list of substantial improvements with this form as described in the requirements section below. You must also **check the box** below, above your signature, to indicate this.
- You understand that if your submission is incomplete and/or inaccurate, any missing and/or corrected items should be received by BSI within 30 calendar days or the request will be closed and the package in its entirety must be resubmitted. If the request is resubmitted after denial and 120 days have passed since the receipt of the valuation for purposes of PMI removal, a new valuation must be ordered.

☐ Check the Box to indicate your property has Substantial Improvements.

Signature:	**Date:**

Step 4. Send us your form using one of the methods below. If applicable, include a list of substantial improvements made to the property since the loan closing. This includes a list of improvements, contracts, receipts, cost of improvement, and date of completion.

Email: PMIremoval@bsifinancial.com
Mailing Address: BSI Financial Services ATTN: PMI Removal P.O. Box 517 Titusville, PA 16354

*A new valuation is not required when the most recent servicer-ordered valuation for PMI removal is less than 120 days old.
**We will contact you if the costs exceed the deposit. You will be billed for the balance of the cost. Should the cost be lower, you will be credited the difference.

PMI REMOVAL ELIGIBILITY REQUIREMENTS AND PMI CANCELLATION TABLE

- The mortgage loan must be current on the date on your request.
- The mortgage loan must have a satisfactory payment record. This means your mortgage loan must not have:
  - No payment made 30 days or more past due in the last 12 months; and
  - No payment made 60 days or more past due in the last 24 months.
- The current property value must be at least equal to the original value or the purchase price of the property at origination.
- The loan must meet the applicable loan-to-value ratio (LTV) provided in the PMI Cancellation Table below.
- If substantial improvements have been made to the property since the loan closed, then evidence of these improvements is required. This includes a list of improvements, contracts, receipts, cost of improvement, and date of completion. (see the Frequently Asked Questions ["FAQs"] on Page 3 for more information).

Age of Loan*	LTV Calculation Method	Loan Type	LTV Requirements
Any Age	**Original Value**	One Unit Principal Residence or Second Home	80%
		2-4 Unit Principal Residence or 1-4 Unit Investment Properties	Fannie Mae: 70% Freddie Mac: 65% Other: 70%
Less than 24 months	**Current Value** ***Note:** requires substantial improvements made to the property since closing	One Unit Principal Residence or Second Home	80%
		2-4 Unit Principal Residence or 1-4 Unit Investment Properties	Fannie Mae: Not Allowed for Removal* Freddie Mac: 65%
24 months - 60 months	**Current Value** when **substantial improvements have not been made to the property** since closing	Single-Family Principal Residence or Second Home	75%
		2-4 Unit Principal Residence or 1-4 Unit Investment Properties	Fannie Mae: 70% Freddie Mac: 65% Other: 70%
	Current Value when **substantial improvements have been made to the property** since closing	Single-Family Principal Residence or Second Home	80%
		2-4 Unit Principal Residence or 1-4 Unit Investment Properties	Fannie Mae: Not Allowed For Removal Freddie Mac: 65%
61 months +	**Current Value** meets the LTV requirements	Single-Family Principal Residence or Second Home	80%
		2-4 Unit Principal Residence or 1-4 Unit Investment Properties	Fannie Mae: 70% Freddie Mac: 65% Other: 70%

Adjustable Rate Mortgage: The current amortization schedule following the most recent rate change is used for purposes of PMI removal.
Balloon/Reset Mortgage: The current amortization schedule following the most recent rate change is used for purposes of PMI removal.
Loan Modifications: The amortization schedule of the modified mortgage loan and the property value at the time of the mortgage loan modification, are used for purposes of PMI removal.

***Please Note that a valuation is required in all cases.**

FREQUENTLY ASKED QUESTIONS

When and how will I know if PMI was removed?
We value your time and will diligently review your request. The evaluation process may take up to four weeks to complete. We will notify you by mail once the valuation (appraisal/BPO) is received and the evaluation is completed.

What are MIP and PMI? How do I know which one I have?
They are the two types of mortgage insurance. Mortgage Insurance protects lenders against financial loss when a default occurs on a mortgage loan. MIP applies to Federal Housing Administration (FHA) insured loans, which is a type of government program. PMI applies to loans that are not insured under a government program.

When can I request PMI be canceled?
Generally, for loans closed on or after July 29, 1999, as a single-family primary residence, homeowners have the right to request the PMI be canceled on or after either of these dates:

(1) The date the principal balance of the loan is first *scheduled* to reach 80% of the original value of the property based solely on the initial amortization schedule, or

(2) The date the principal balance *reaches 80% of the property's original value* based on actual payments made.

When will PMI be automatically terminated?
For loans closed on or after July 29, 1999, as a single-family primary residence and the loan payments are current, PMI will automatically terminate on the date the principal balance of the loan is first *scheduled* to reach 78% of the original value of the property based solely on the initial amortization schedule. If the loan payments are not current as of that date, PMI will automatically terminate the month after the payments are brought current. In any event, PMI will not be required beyond the date that is the midpoint of the amortization period for the loan if the payments are current as of that date.

What if my loan closed before July 29, 1999, is not a single-family primary residence, or is a second home?
The conditions for canceling mortgage insurance for mortgages closed before July 29, 1999, are not provided for under federal law and may be changed at the lender's discretion (unless otherwise restricted by state law).

How do I find the original value of my property or LTV?
The original value is either the purchase price or the appraised value of your property at closing, whichever is less. If the loan is a refinance, then the original value is the appraised value used to refinance the loan. To calculate the original loan to value (OLTV), divide the unpaid principal balance (including any deferred principal balance) of the loan by the property's original value.

What is the difference between Original Loan to Value (OLTV) and Current Loan to Value (CLTV) calculation methods? The Loan to Value ratio (LTV) is the relationship between the loan's Unpaid Principal Balance (including any deferred amounts) and the property's expected price if sold. Because home prices fluctuate, there are two approaches to calculating LTV. The Original Loan to Value (OLTV) method compares the current Unpaid Principal Balance (UPB) with the property's value at closing. The Current Loan to Value (CLTV) method compares the current UPB with the property's expected price if sold in the near future. As a result, the CLTV method is the only method that considers substantial improvements.

What is considered a substantial improvement?
A substantial improvement increases value, improves marketability, and/or extends the useful life of the property. Substantial improvements include renovations, finishing a basement; addition of square footage; and/or additional feature(s), garage, deck, pool, and sprinklers. Improvements or repairs made to maintain functionality or improve cosmetics are not considered substantial. Some improvements are considered substantial by Freddie Mac but not by Fannie Mae.

Why can't I use a past appraisal?
Appraisals consider the value of a property at a fixed point in time. Housing prices fluctuate so an updated valuation is required to confirm the value of the property. Servicer-ordered appraisals are performed at arm's length, meaning the appraiser is not influenced by the servicer or homeowner. This practice ensures the most objective and precise measurement of the property's value. The valuation must be ordered by BSI, and BSI cannot reimburse homeowners for ordering their own valuation.

What if I miss my appointment?
If you miss your valuation appointment, please contact the appraiser or broker to reschedule the appointment.

What if I disagree with the results of the valuation?
You can dispute the valuation if you believe it contains factual errors. Any valuation dispute(s) requires evidence demonstrating factual inaccuracies (e.g., miscalculations in square footage or lot size, dissimilar comparable properties used, etc.). Many popular internet sites provide automated courtesy estimates of value, however, these estimates alone are insufficient to demonstrate factual inaccuracies. Valuations ordered for PMI removal are completed by certified brokers and/or appraisers and are more precise than estimates provided publicly online. Valuation disputes are subject to additional processing costs which will be billed to your account upon completion of the dispute review process. Please contact us using the contact information above for details on how to file a dispute.