

Lender Letter LL-2010-09**September 13, 2010****To: All Fannie Mae Single-Family Sellers and Servicers****Suspension of California Housing Loan Insurance Fund**

Earlier this year, the California Housing Loan Insurance Fund (CaHLIF) ceased writing new mortgage insurance policies. Therefore, effective immediately, Fannie Mae is suspending CaHLIF as an approved mortgage insurer. Given the date on which CaHLIF ceased writing new policies, this suspension should have no impact on current loan production.

Existing CaHLIF Insurance

Servicers should continue to renew coverage with CaHLIF when existing policies expire unless and until notified otherwise by Fannie Mae.

Acceptable Conventional Mortgage Insurers and MI Codes

The list of [Acceptable Conventional Mortgage Insurers and MI Codes for Loan Delivery](#) on eFannieMae.com has been updated to reflect the suspension of CaHLIF. Mortgage loans identified by MI Code 31 are no longer eligible for delivery to Fannie Mae. Lenders seeking to deliver such mortgage loans should contact their Customer Account Team for further guidance.

Lenders who have questions should contact their Customer Account Team or Servicing Consultant, Portfolio Manager, or the National Servicing Organization's Servicer Support Center at 1-888-FANNIE5 (1-888-326-6435).

John S. Forlines
Vice President
Single-Family Risk Officer