Lender Letter (LL-2026-07)

Sept. 16, 2026

To: All Fannie Mae Single-Family Servicers
Updates to Mortgage Insurance Termination Requirements

At the direction of U.S. Federal Housing (FHFA), we are updating our requirements related to termination of conventional mortgage insurance to permit servicers to solicit borrowers that may be eligible for mortgage insurance termination based on the current value of the property.

This policy change will be reflected in a future *Servicing Guide* update.

Servicer solicitation of loans that may be eligible for mortgage insurance termination based on current value

We are permitting servicers to proactively solicit borrowers whose mortgage loans may be close to or have reached the loan-to-value (LTV) requirements for mortgage insurance (MI) termination based on current value of the property and notify the borrower of the actions required to terminate MI as listed in *Borrower-Initiated Termination of Conventional Mortgage Insurance Based on Current Value of the Property* in *Servicing Guide* B-8.1-04, Termination of Conventional Mortgage Insurance.

Effective: This policy change is effective immediately.

Servicers may contact their Fannie Mae Account Team if they have questions about this Lender Letter.
Have guide questions? Get answers to all your policy questions, straight from the source. Ask Poli.

