

Subject: ***NJHMFA Bulletin - Financed MI Premiums***** July 20, 2012**

Due to changed circumstances in the availability of mortgage insurance coverage for loans on which the Agency requires more than 35% coverage, financing of MI premiums within the first mortgage as permitted in Section 3.203 (a) of the Agency's Policies and Procedures for Participating Lenders will no longer be permitted effective immediately. MI premiums may still be financed with the Smart Start second mortgage loan program proceeds.