

# CREDIT-TIERED BORROWER-PAID REFUNDABLE SINGLE PREMIUMS

MGIC

## NATIONAL RATES

AUGUST 2011

NOTE: Not all LTVs and credit scores are available with all programs or in all markets

### BPMI Fixed Single Premiums

30-YEAR ■ REFUNDABLE

BASE LTV	COVERAGE	Class Selection		
		CLASS 1 720+	CLASS 2 680-719	CLASS 3 < 680
<b>97%</b> to 95.01%	35%	4.22%	5.28%	N/A
	30	3.84	4.80	N/A
	25	3.41	4.18	N/A
	18	2.83	3.70	N/A
<b>95%</b> to 90.01%	35	3.65	5.09	6.58%
	30	3.22	4.51	5.76
	25	2.98	4.03	5.18
	18	2.69	3.55	4.08
	16	2.59	3.46	3.79
<b>90%</b> to 85.01%	30	2.83	3.31	4.22
	25	2.35	2.98	3.65
	17	2.06	2.35	2.93
	12	1.87	2.11	2.50
<b>85%</b> & UNDER	25	2.11	2.30	3.31
	17	1.78	2.06	2.78
	12	1.54	1.82	2.11
	6	1.44	1.63	1.82

STANDARD AGENCY  
COVERAGE REQUIREMENTS

for loan terms > 20 years  
for loan terms ≤ 20 years

### BPMI Nonfixed Single Premiums

30-YEAR ■ REFUNDABLE

BASE LTV	COVERAGE	Class Selection		
		CLASS 1 720+	CLASS 2 680-719	CLASS 3 < 680
<b>95%</b> to 90.01%	35%	4.85%	6.77%	8.16%
	30	4.18	5.86	7.15
	25	3.84	5.18	6.43
	18	3.22	4.27	5.04
	16	3.07	4.08	4.70
<b>90%</b> to 85.01%	30	3.89	4.56	5.23
	25	3.12	3.94	4.51
	17	2.83	3.22	3.65
	12	2.45	2.74	3.07
<b>85%</b> & UNDER	25	3.26	3.55	4.13
	17	2.30	2.69	3.46
	12	1.82	2.16	2.64
	6	1.78	2.02	2.26

PREMIUM ADJUSTMENTS	CLASS 1	CLASS 2	CLASS 3
	720+	680-719	< 680
Rate-and-Term Refinance	.48	.72	1.44
Cash-out Refinance*	.96	N/A	N/A
Second Homes	.67	.96	1.68
Loan Amounts > \$417,000	1.20	1.92	2.88
Employee Relocation Loans	-.19	-.34	-.48
≤ 25-Year Amortization Term	-.24	-.38	-.53

ADDITIONAL COVERAGE LEVELS MAY BE AVAILABLE. PLEASE USE MGIC'S RATE FINDER – PLUS TO DETERMINE PREMIUMS.

\*See Section 3.07d of MGIC's Underwriting Guide for eligible cash-out refinances.

AUGUST 2011

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Borrower-Paid Single Premiums require a one-time, single payment at closing. Borrowers can finance the premium into the loan amount or pay it along with other closing costs. The premium can otherwise be paid by a third party, such as a builder or a seller.

When the premium is financed into the loan amount, select the LTV category based on the loan amount before the premium is added. An endorsement providing enhanced claims coverage acceptable to the agencies is included. Consult with Fannie Mae/Freddie Mac to determine whether delivery of these loans requires special approval.

Coverage is provided through the date:

- the loan is paid down to less than 80% of original value OR
- it is scheduled to reach 78% of original value through amortization.

Coverage continues for loans in default on these dates until the loan is brought current.

### LOAN PROGRAM CATEGORIES

**Fixed Rate** applies to loans with level or declining payments for the first five years. It does not include loans with buydowns or rate concessions.

**Nonfixed Rate** applies to loans with actual or potential payment changes during the first five years.

Loans featuring potential negative amortization are not eligible for MGIC mortgage insurance.

### RATE SELECTION

**30-Year Rates** apply to loans with an amortization period greater than 25 years and not more than 40 years.

**25-Year & Under Rates** apply to loans with an amortization period of 25 or fewer years.

Select LTV category based on first lien only.

Rates may vary from state to state. Select rates based on property location. New York has special requirements for the use of credit scoring.

### CLASS SELECTION

**Credit-tiered rates** are divided into three class levels and are based on the borrower(s) credit profile.

Loans without valid credit scores or no credit scores that otherwise meet MGIC's nontraditional credit requirements receive Class 3 rates.

Loans with other than a standard approval from an automated underwriting system, such as Fannie Mae's DU® EA or Freddie Mac's LP® Caution/Eligible or LP® Caution A-Minus/Eligible, receive Class 3 rates.

### UNDERWRITING NOTES

**Employee Relocation Loans** must meet MGIC's relocation loan guidelines at origination.

**Properties in MGIC-identified restricted markets** are subject to special guidelines. See the list of areas and guidelines at [www.mgic.com/restrictedmarkets](http://www.mgic.com/restrictedmarkets).

**LTVs greater than 95%** may not be eligible in all markets.

**LTVs greater than 90%** are limited to certain loan characteristics and markets.

Please see our complete Underwriting Guide or Underwriting Guideline Summary on [www.mgic.com](http://www.mgic.com).

### REFUNDS

When coverage is cancelled during the first 5 years, a prorated portion of the premium is refundable. Please see MGIC's refund schedules, [www.mgic.com/rates/refundschedules.html](http://www.mgic.com/rates/refundschedules.html).

For loans cancelled or terminated under the Homeowners Protection Act of 1998, refunds will be based on MGIC's calculation of the unearned premium.

### FOR MORE INFORMATION

For additional rates and coverages, use MGIC's Rate Finder – Plus, [www.mgic.com/ratefinder](http://www.mgic.com/ratefinder).

**Questions?** Contact your MGIC Account Manager or your MGIC Regional Underwriting Service Center, [www.mgic.com/directory](http://www.mgic.com/directory).

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