



MGIC

Show borrowers considering a 20% down payment how they can get more by putting down less

15>20

MGIC MONTHLY MI

Meet Sarah and Val, a couple ready to embrace the bigger things in life. They're upgrading from a cramped condo to their dream house with a spacious yard. They need to buy all the things they never needed before, like a lawn mower, snow blower and state-of-the-art grill (not to mention more furniture). By putting less money down and using MGIC MI, they'll keep enough money to make those investments right away – and have some left over for savings, too.

Help them go big without emptying the bank

Many borrowers believe 20% down on a home purchase is their only option. Reinforce your role as a trusted advisor by presenting borrowers like Sarah and Val with a slightly different angle: putting 15% down instead.

Our 15>20 concept capitalizes on the GSEs' delivery discount on 85% LTV loans. With MGIC MI, that can be an affordable option for borrowers. They'll hold on to more money for savings, to invest or to make home improvements.

With MGIC borrower-paid Monthly Premiums, Sarah and Val can afford to outfit their new outdoor space right away

Monthly MI	80% LTV	85% LTV
Purchase price	\$300,000	\$300,000
Down payment	\$60,000	\$45,000
Additional money left in savings	n/a	\$15,000
Loan amount	\$240,000	\$255,000
Interest rate	5.0%	5.0%
Monthly MI ¹	\$0	\$23
Total monthly mortgage payment (P&I + MI)	\$1,288	\$1,392
Difference in GSE loan-level price adjustment or discount points ²	0%	-0.25%
Additional cost at closing	n/a	(\$638)

In the scenario above, MI is eligible for cancellation in just under 3 years, lowering Sarah and Val's monthly payment by \$23.³

Example is for illustrative purposes and meant only for mortgage and real estate professionals. Numbers are rounded to the nearest dollar and may vary from actual results. Assumes a 30-year fixed-rate loan on an owner-occupied, primary residence; 2 borrowers with 780 credit score, total DTI ratio of 35% and housing ratio of 25%. ¹MI premium based on rates as of 4/4/22 for Milwaukee, WI. ²For all mortgages except Fannie Mae's HomeReady® and Freddie Mac's Home Possible® loans. ³Assumes 3% annual home appreciation. **Find your right rate, right now at mgic.com/MiQ.**

HomeReady® is a registered trademark of Fannie Mae. Home Possible® is a registered servicemark of Freddie Mac.

To learn more about this strategy and other MI Solutions, contact your MGIC representative or go to rethinkMI.com.