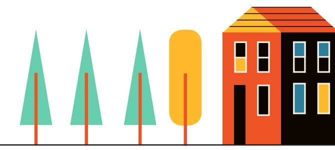
4 WAYS private mortgage insurance benefits homeowners

MGIC



Saving up enough money to make a 20% down payment is a huge hurdle for many homebuyers. Private mortgage insurance reduces that barrier and helps more people afford homeownership by allowing them to put down as little as 3%.

1. Buy Sooner: 3 Years vs. 11 Years

Amount of time it would take to buy a home with a 20% down payment compared to 5% down payment if saving 5% of income each year:

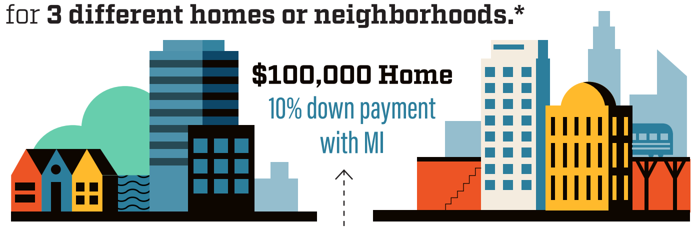
With MI	2020	2021	2022								
Without MI	2020	2021	2022	2023	2024	2025	2026	2027	2028	2028	2030

(Based on median income of $93,000 and median purchase price of $257,0000.*)

*nar.realtor: National Association of Realtors 2019 Home Buying Report

2. Increase Home Options

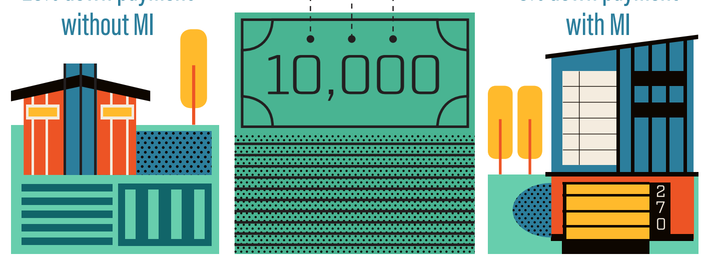
See how **$10,000** could be used as a down payment for **3 different homes or neighborhoods.***



$100,000 Home
10% down payment
with MI

$50,000 Home
20% down payment
without MI

$200,000 Home
5% down payment
with MI



*Assumes homeowners can afford monthly payment of a higher priced home.

3. Keep More Savings

$200,000 HOME

If you had **$40,000**, instead of using it all for a down payment, you could put down less and reserve money for other purposes.*

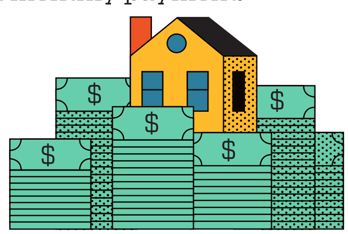
*Assumes homeowners can afford monthly payment of a higher priced home.

Down Payment	Left in Savings
20% or **$40,000**	$0
10% or **$20,000**	$20,000
5% or **$10,000**	**$30,000**

4. Take Advantage of Home Appreciation

Unlike the government's FHA option, MGIC's MI can be cancelled using the new appraised value of the home, resulting in a reduced monthly payment.

Example: You might be eligible to cancel MI in as little as **53 months** if you bought a **$200,000** home with **5% down**.*



*Assumes 4% interest rate on a 30-year fixed rate mortgage and annual home appreciation of 3.6%.

This nifty infographic is brought to you by your friends at MGIC.

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