

# CREDIT-TIERED BORROWER-PAID MONTHLY PREMIUMS

## CREDIT UNION RATES

DECEMBER 2009

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

### BPMI Fixed Monthly Premiums

30-YEAR ■ NONREFUNDABLE

BASE LTV	COVERAGE	Class Selection		
		CLASS 1	CLASS 2	CLASS 3
		740+	700-739	< 700
97% to 95.01%	35%	.80%	.82%	N/A
	30	.71	.72	N/A
	28	.65	.67	N/A
	25	.60	.61	N/A
	20	.49	.50	N/A
	18	.45	.47	N/A
95% to 90.01%	35	.61	.72	.91%
	30	.54	.63	.80
	25	.47	.54	.68
	22	.43	.49	.61
	18	.37	.41	.51
	16	.34	.38	.47
90% to 85.01%	35	.47	.54	.76
	30	.42	.47	.67
	25	.37	.41	.58
	20	.32	.35	.48
	18	.29	.32	.44
	17	.28	.31	.42
85% & UNDER	12	.23	.26	.32
	30	.40	.45	.57
	25	.36	.37	.50
	20	.31	.33	.42
	12	.22	.25	.28
	6	.18	.19	.20

STANDARD AGENCY  
COVERAGE REQUIREMENTS

for loan terms > 20 years

for loan terms ≤ 20 years

### BPMI Nonfixed Monthly Premiums

30-YEAR ■ NONREFUNDABLE

BASE LTV	COVERAGE	Class Selection		
		CLASS 1	CLASS 2	CLASS 3
		740+	700-739	< 700
95% to 90.01%	35%	.88%	.93%	1.14%
	30	.72	.82	1.01
	25	.62	.70	.86
	22	.56	.62	.77
	18	.48	.53	.65
	16	.44	.48	.59
90% to 85.01%	35	.67	.76	1.10
	30	.60	.67	.97
	25	.52	.58	.83
	20	.40	.48	.69
	18	.37	.45	.63
	17	.36	.43	.60
85% & UNDER	12	.27	.33	.45
	30	.50	.56	.81
	25	.40	.45	.70
	20	.34	.41	.59
	12	.25	.29	.39
	6	.19	.22	.25

#### PREMIUM ADJUSTMENTS

Rate-and-Term Refinance	+ .05%
Second Homes	+ .14%
Loan Amounts > \$417,000	+ .25%
Level Annual Premium (Refundable)	- .04%
Refundable Monthly Premium	+ .01%
≤ 25-Year Amortization Term	- .11%
Employee Relocation Loans	- .05%

NOTE: RATES CANNOT BE REDUCED BELOW .15%.

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

# CREDIT-TIERED BORROWER-PAID MONTHLY PREMIUMS

## CREDIT UNION RATES

DECEMBER 2009

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

### Expanded Criteria BPMI Fixed Monthly Premiums

30-YEAR ■ REFUNDABLE  
DU EA-1, LP A-MINUS ELIGIBLE OR CAUTION ELIGIBLE  
OR NONTRADITIONAL CREDIT

BASE LTV	COVERAGE	PREMIUM
97% to 95.01%	35%	1.53%
	30	1.35
	25	1.14
	20	.97
	18	.90
95% to 90.01%	35	1.37
	30	1.20
	25	1.08
	22	.99
	18	.85
	16	.79
90% to 85.01%	35	1.05
	30	.88
	25	.76
	20	.67
	18	.63
	17	.61
85% & UNDER	12	.52
	30	.75
	25	.69
	20	.65
	12	.44
	6	.38

STANDARD AGENCY COVERAGE REQUIREMENTS	for loan terms > 20 years
	for loan terms ≤ 20 years

### Expanded Criteria BPMI Nonfixed Monthly Premiums with Annual Caps ≤ 1%

30-YEAR ■ REFUNDABLE  
DU EA-1, LP A-MINUS ELIGIBLE OR CAUTION ELIGIBLE  
OR NONTRADITIONAL CREDIT

BASE LTV	COVERAGE	PREMIUM
97% to 95.01%	35%	1.71%
	30	1.51
	25	1.28
	20	1.08
	18	1.00
95% to 90.01%	35	1.53
	30	1.34
	25	1.21
	22	1.11
	18	.93
	16	.85
90% to 85.01%	35	1.18
	30	.99
	25	.85
	20	.75
	18	.70
	17	.68
	12	.58
85% & UNDER	30	.84
	25	.77
	20	.73
	12	.49
	6	.43

#### PREMIUM ADJUSTMENTS

Rate-and-Term Refinance	+ .10%
Second Homes	+ .14%
≤ 25-Year Amortization Term	- .11%
Loan Amounts > \$417,000	+ .25%

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

# CREDIT-TIERED BORROWER-PAID MONTHLY PREMIUMS

MGIC

## CREDIT UNION RATES

DECEMBER 2009

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

Monthly Premiums are MGIC's most widely used option. Borrowers pay the premium as part of their monthly mortgage payment. A no-premium-due-at-closing option (ZOMP!) reduces closing costs.

Rate tables provide annualized rates for these plans. To determine the monthly premium, multiply the applicable premium rate by the loan amount and divide by 12. Round to the nearest cent.

When Monthly Premiums are cancelled, the monthly mortgage payment is reduced by the amount of the MI premium.

### 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.

**Expanded Criteria: Nonfixed with Annual Caps  $\leq 1\%$**  applies to loans with an annual effective interest rate cap of 1% or less during the first five years. Eligible examples include:

- fixed-rate loans with 1% annual temporary buydowns;
- 6- and 12-month ARMs with annual effective rate caps of 1% or less; and
- 3/3 and 3/1 ARMs with initial interest rate adjustments of 3% or less.

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 upon property location. New York has special requirements for the use of credit scoring.

### PREMIUM PLAN OPTIONS

**Monthly Premiums** require the first month's premium at closing and are billed monthly.

**Zero-Option Monthly Premiums (ZOMP!)** are billed monthly, beginning with the first mortgage payment. No premium is due at closing.

**Level Annuals'** initial and renewal premiums are the same. The first year's premium is due at closing; subsequent annual premiums are due on the certificate's anniversary date.

### RENEWAL OPTIONS

**Constant Renewal Rates** are applied to the original insured loan balance. The rate for years 2 through 10 is the same as the first-year rate. For years 11 through term, the rate is reduced to .17% or remains the same if the rate before this reduction is less than .17%.

Note for Expanded Criteria Constant Renewal Rates: For year 11 through term, the rate is reduced to .20% or remains the same if less than .20%.

**Declining Renewal Rates** are applied to the outstanding insured loan balance. The rate for years 2 through term is the same as the first-year rate. The loan balance is adjusted annually on the anniversary of the certificate.

### REFUND OPTIONS

Rate tables provide nonrefundable rates. No premium is refunded unless coverage is cancelled or terminated under the Homeowners Protection Act of 1998.

If a refundable option is selected, refunds are prorated.

### UNDERWRITING NOTES

**3/2 Option Loans** receive 95.01%–97% rates.

**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.cu.mgic.com/restrictedmarkets](http://www.cu.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 Guidelines Summary on [www.cu.mgic.com](http://www.cu.mgic.com).

### FOR MORE INFORMATION

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