MI Solutions

How to present private mortgage insurance to referral partners and homebuyers

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Mortgage Guaranty
Insurance Corporation

Agenda

Presenting MI to real estate agents

Presenting MI to consumers

Examine the true cost of waiting

Before we get started…

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MI, Private MI or PMI

a financial guaranty that reduces loss
to the lender or investor in the event the borrowers
do not repay the mortgage

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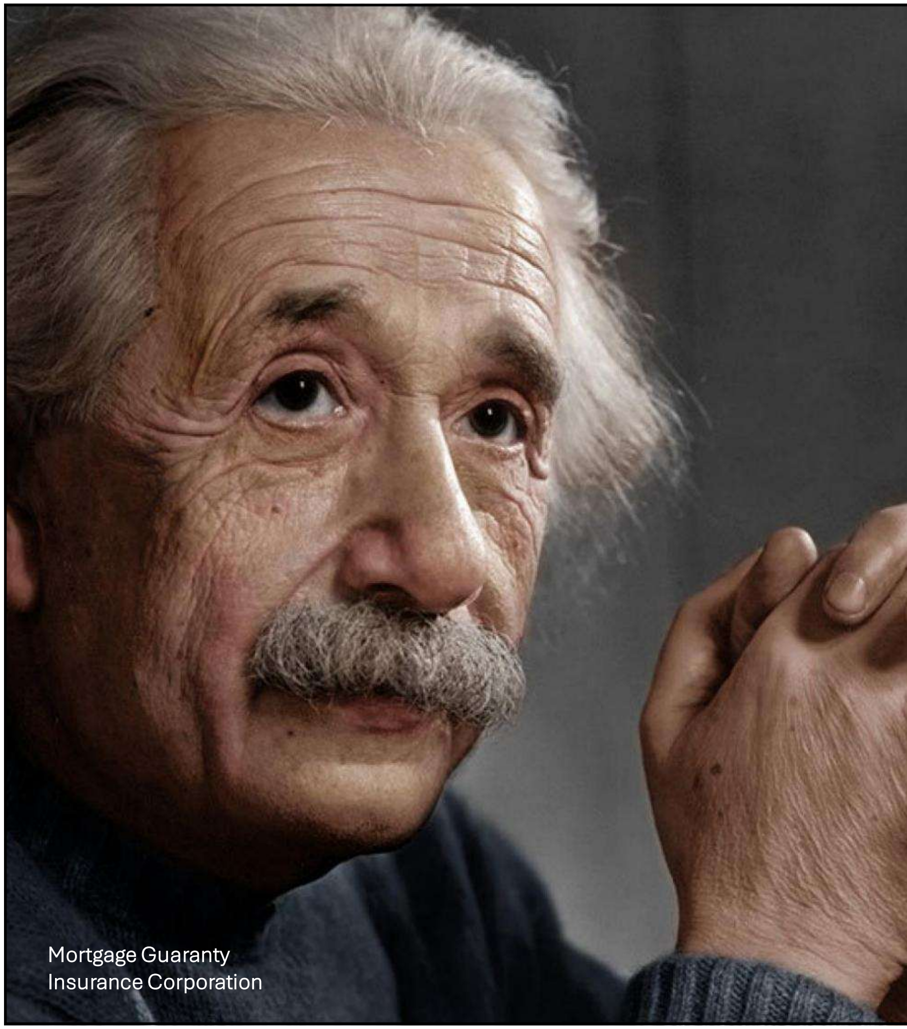

"If you can't explain it simply, you don't understand it well enough."

But what is it really?

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For you?

Structure safe, high-LTV loans

Increase your customer and referral base

Better serve your community

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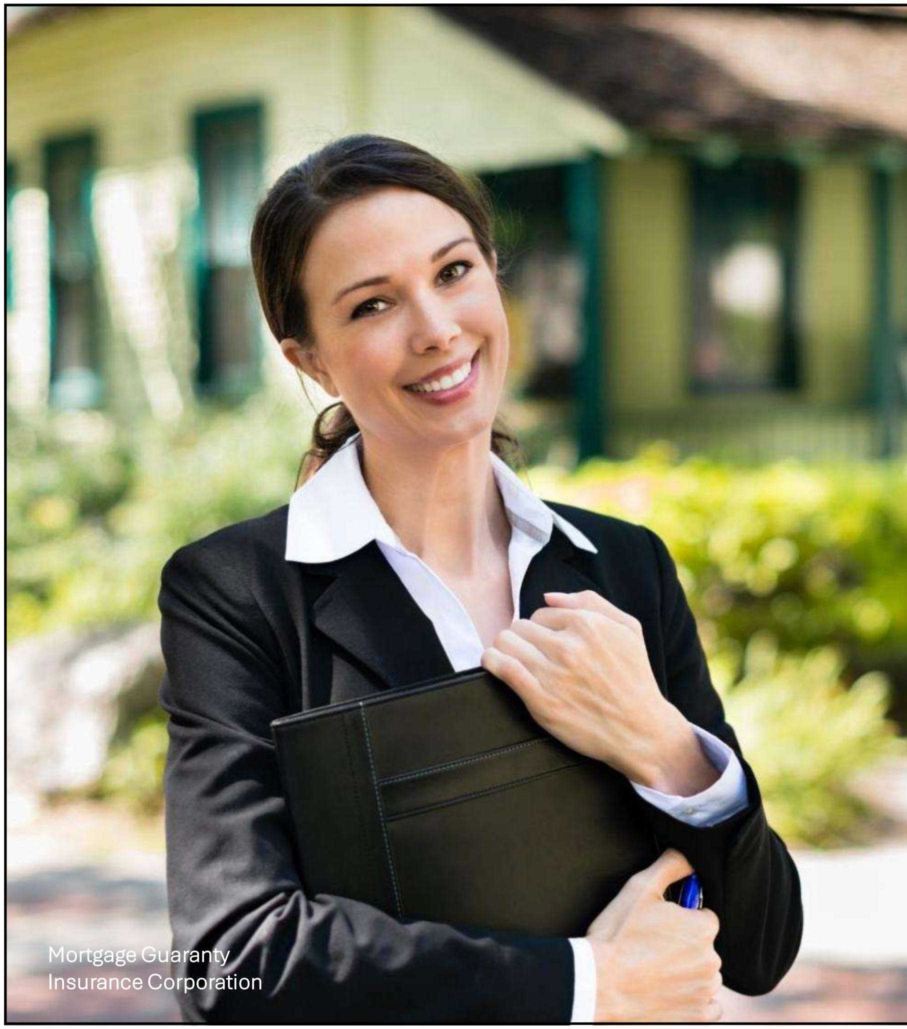

For real estate agents?

Sell more homes and qualify more borrowers

How MGIC changed the conversation

Before MGIC: “Well, how much money do you have?”

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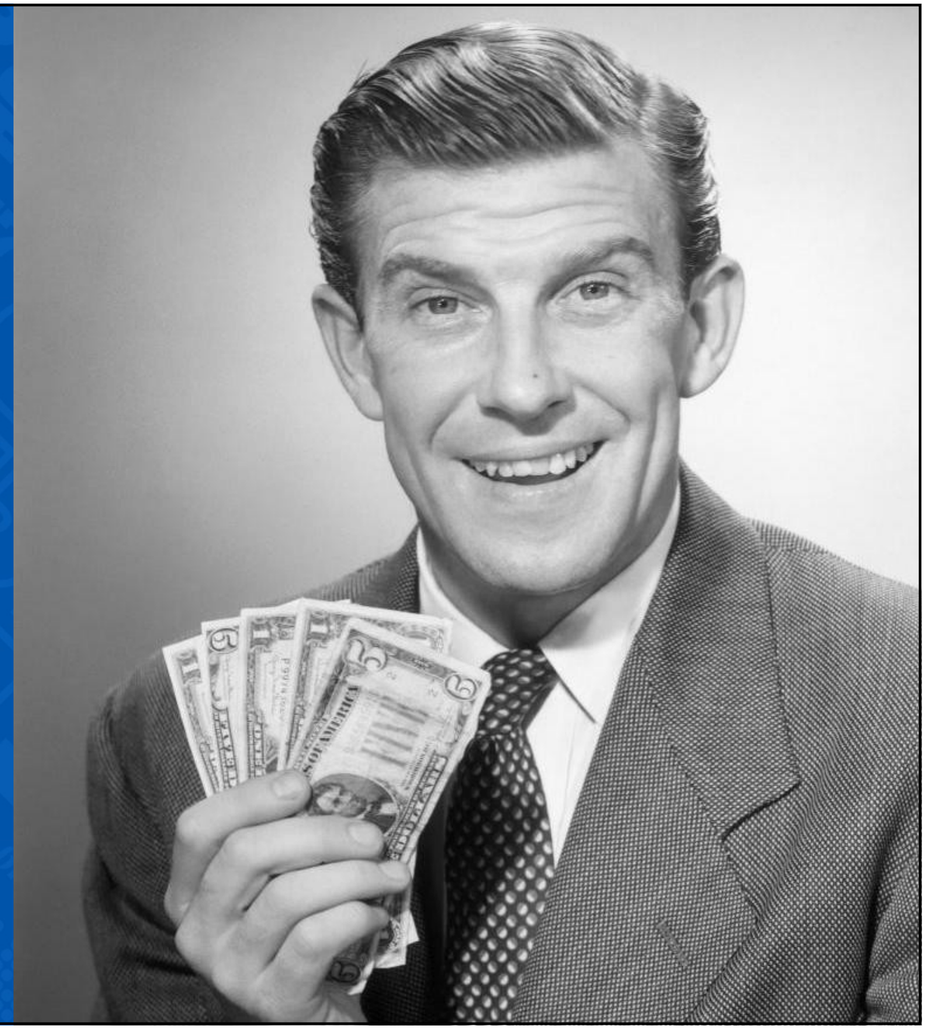
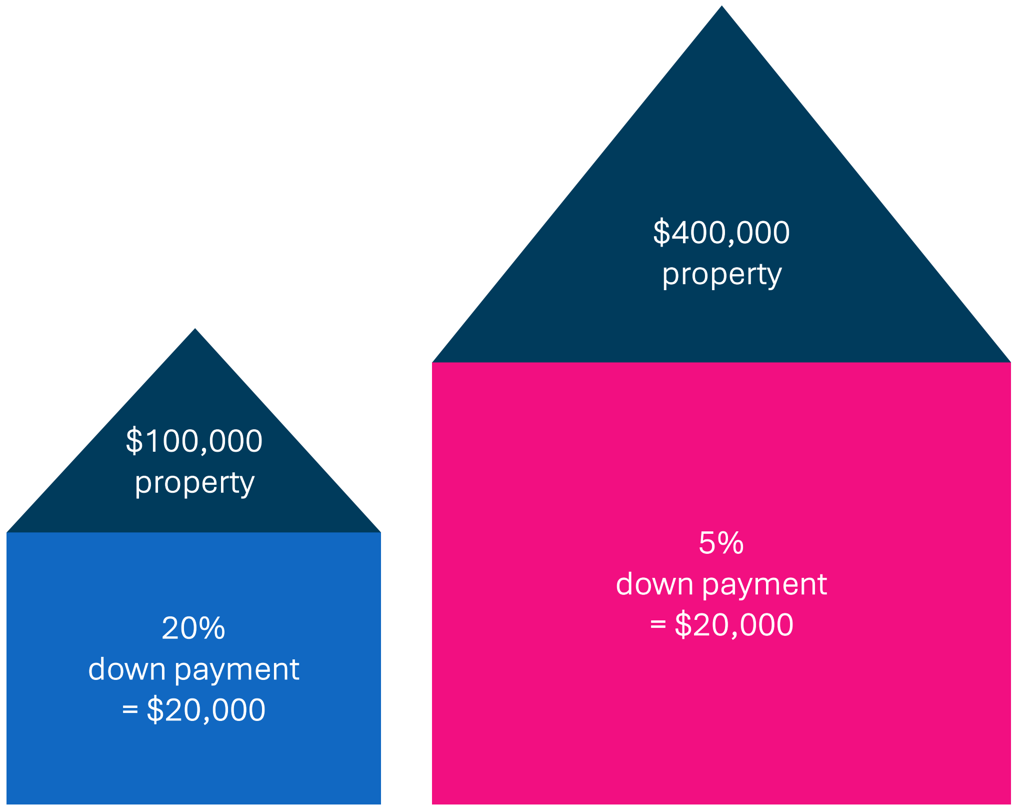


How MGIC changed the conversation

With MGIC: “How much can you afford?”

Which do you think real estate agents would prefer to sell?



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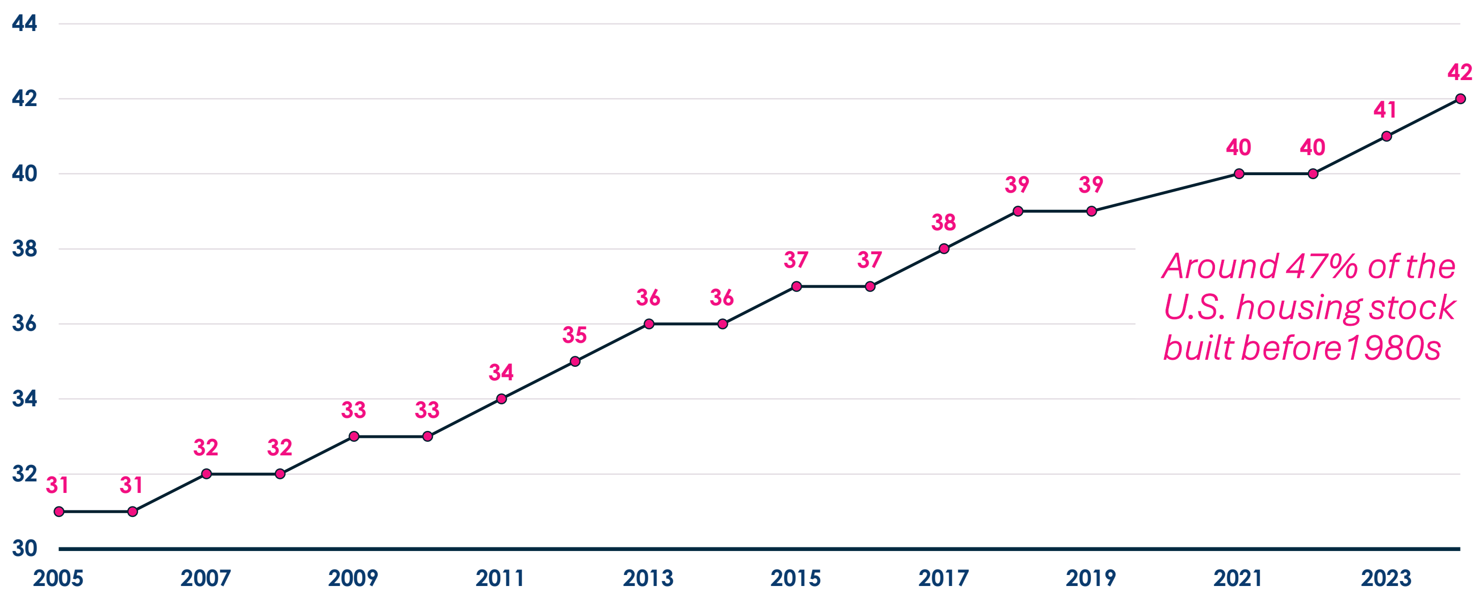
Median age of owner-occupied housing



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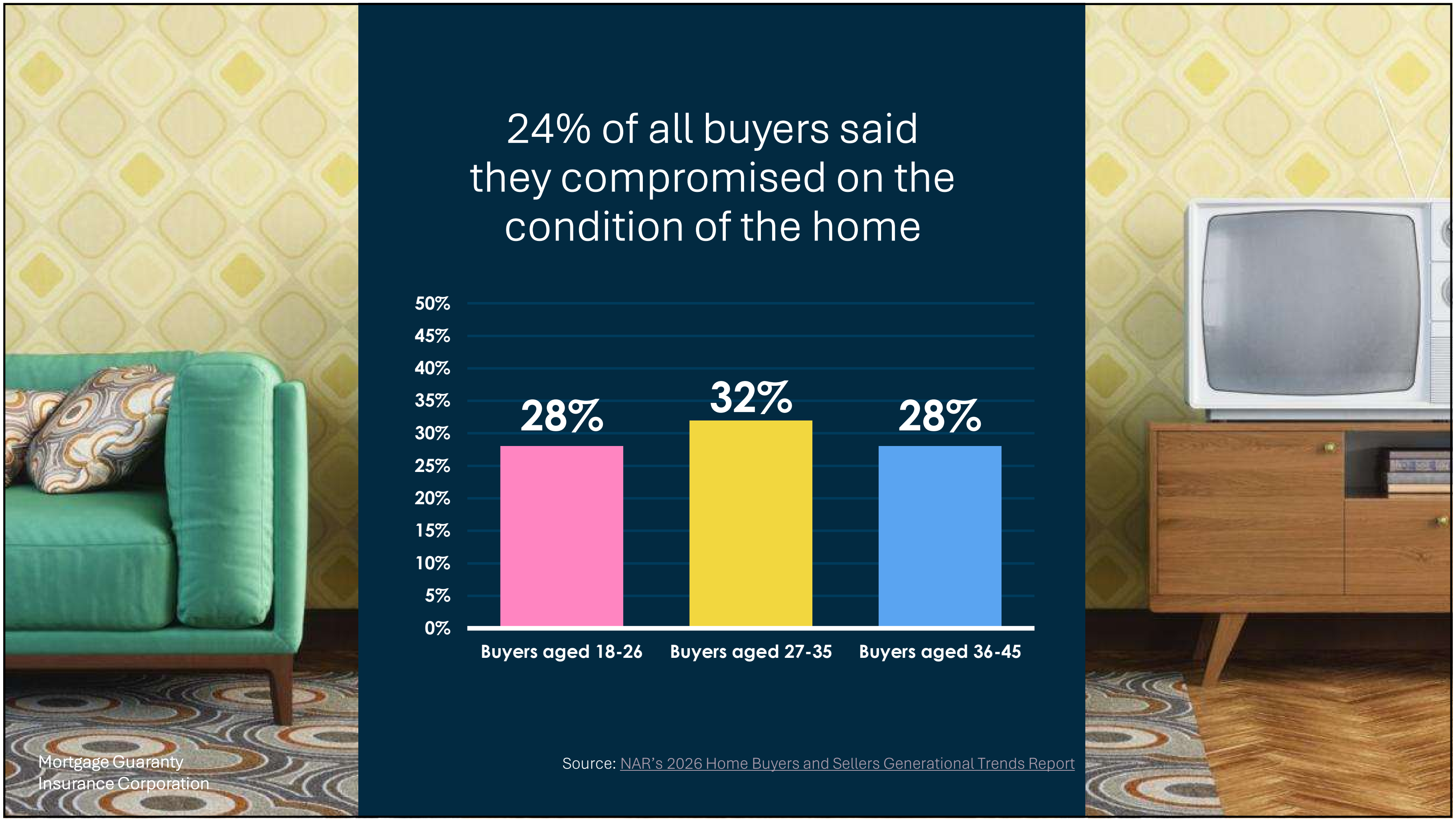
Source: National Association of Home Builders, March 2026


24% of all buyers said they compromised on the condition of the home
50%
45%
40%
35%
30%
25%
20%
15%
10%
5%
0%
28%
32%
28%
Buyers aged 18-26
Buyers aged 27-35
Buyers aged 36-45
Source: NAR's 2026 Home Buyers and Sellers Generational Trends Report
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Maria can afford to buy and renovate the fixer-upper of her dreams by using private MI

Maria's dream home	
Home price	$375,000
20% down payment	$75,000
5% down payment	$18,750
The difference	$56,250

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For borrowers?

The primary reason buyers 60 and younger purchased a home last year: The desire to own a home of my own.

Source: NAR's 2026 Home Buyer and Seller Generational Trends Report

Buy now instead of waiting

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How borrowers benefit from private MI

- Increased buying power
- Expanded cash flow options
- Lower monthly payment for higher credit scores
- Less debt and more equity than FHA
- Ability to cancel when no longer needed
- May be tax deductible*

*Depends on taxable income and filing status; consult a tax professional

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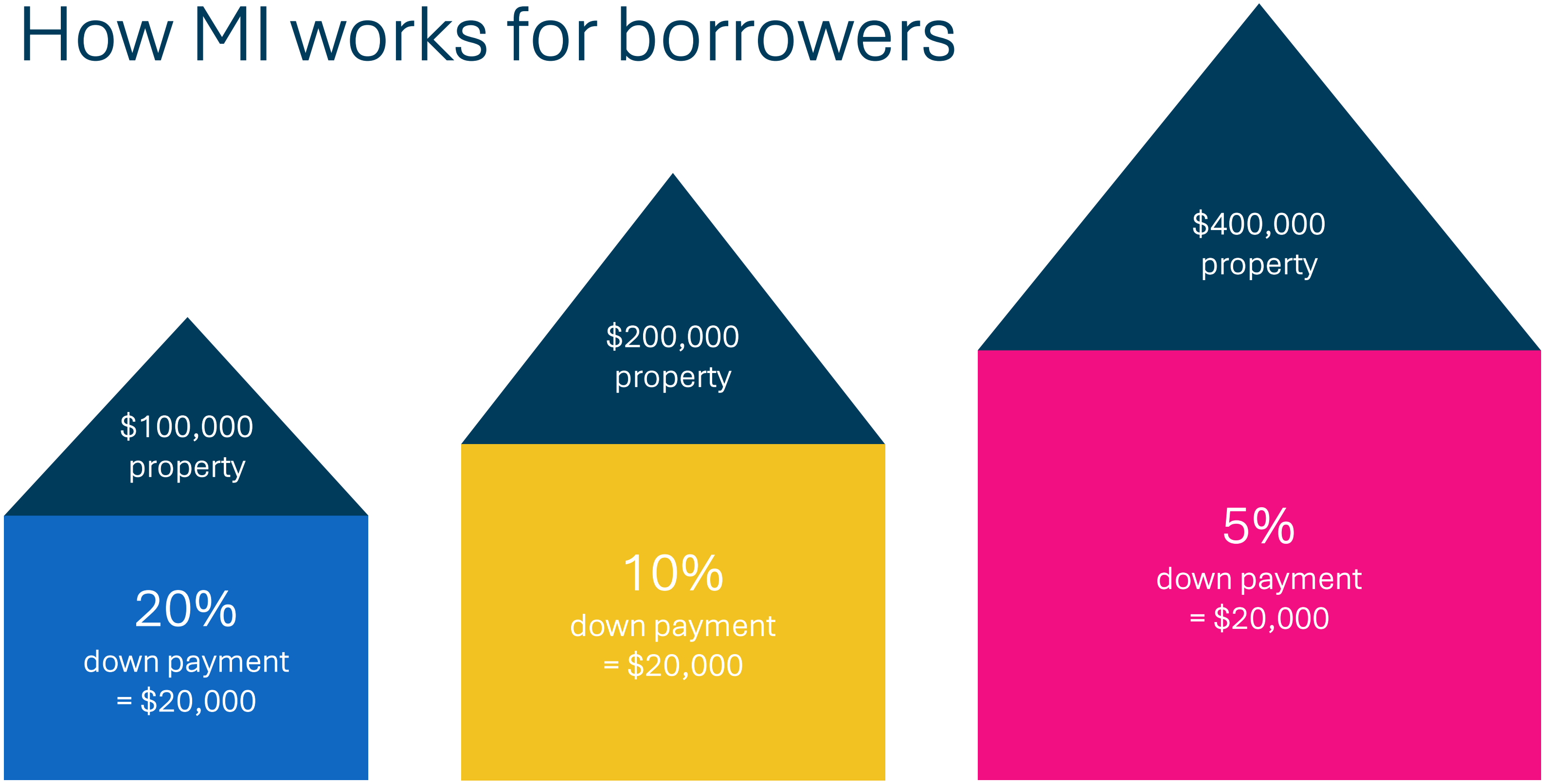
How MI works for borrowers



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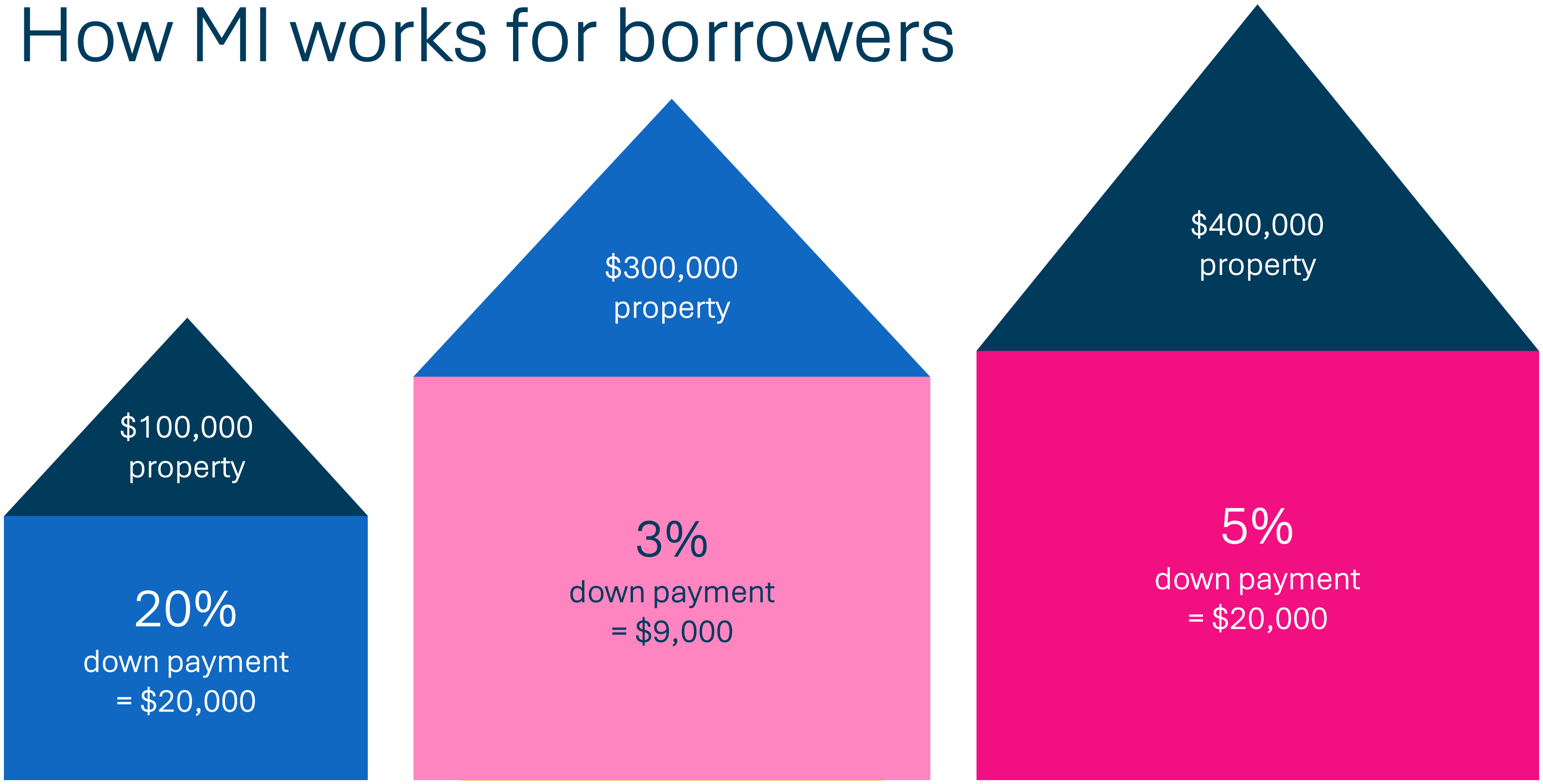
How MI works for borrowers



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The true cost of waiting

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True cost of waiting

Assumptions		
	3% down – Buy today	20% down – Target
Down payment required *(on $400,000 home)*	$12,000	$80,000
Borrower's current savings	$12,000	$12,000
Shortfall vs. target *(at today's price)*	$0	$68,000
Savings rate per month *(5% on median household income of $83,730)*	$349	$349
Approximate time needed to purchase *(assuming no home appreciation)*	Now	195 months or over 16 years

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The moving target problem

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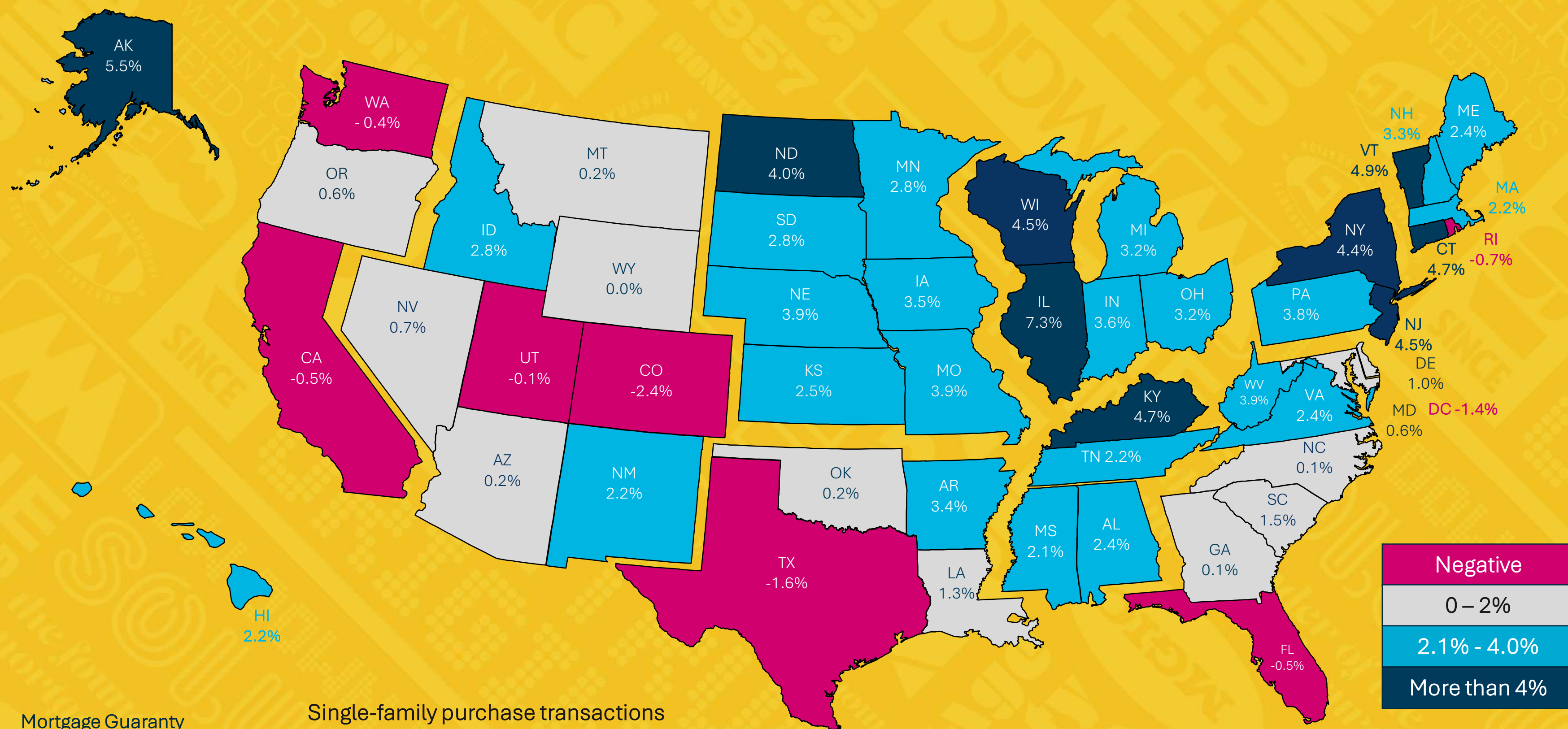
Annual home appreciation



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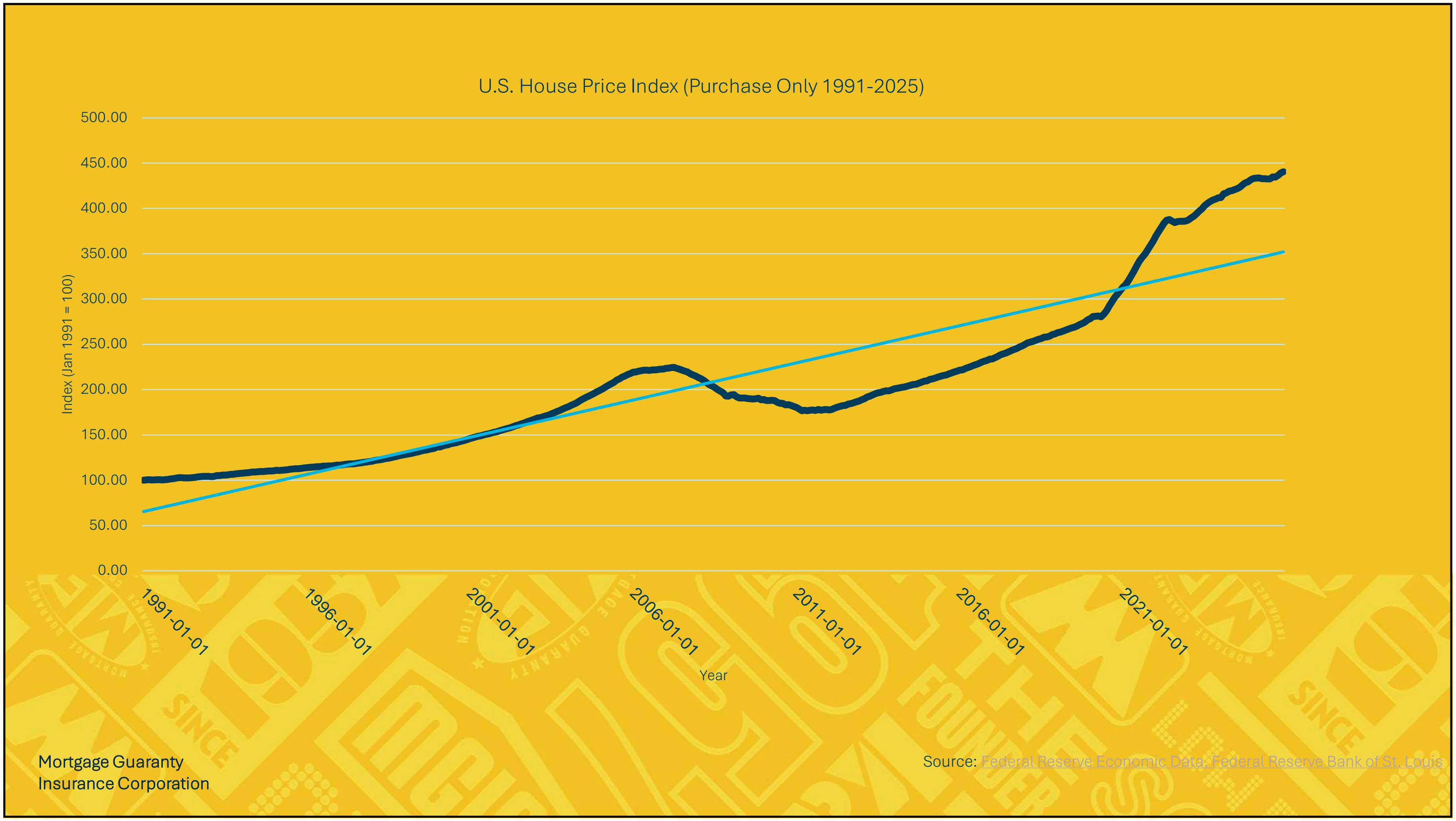
Single-family purchase transactions
U.S. = 1.7% (2025 Q1 – 2026 Q1)

Source: FHFA House Price Index (May 2026)



U.S. House Price Index (Purchase Only 1991-2025)
500.00
450.00
400.00
350.00
300.00
250.00
200.00
150.00
100.00
50.00
0.00
Index (Jan 1991 = 100)
1991-01-01
1996-01-01
2001-01-01
2006-01-01
2011-01-01
2016-01-01
2021-01-01
Year
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Source: Federal Reserve Economic Data, Federal Reserve Bank of St. Louis

True cost of waiting

Annual home price appreciation	U.S. median household income annual growth
4.0%	3.35%
	Source: U.S. Census Bureau

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True cost of waiting

Year	Savings *(3% annual income growth)*	Home price *(4% annual appreciation)*	20% down payment	Shortfall *(with 3% annual income growth)*
Today	$12,000	$400,000	$80,000	$68,000
Year 1	$16,187	$416,000	$83,200	$67,013
Year 5	$34,383	$486,661	$97,332	$62,949
Year 10	$60,774	$592,098	$118,420	$57,646
Year 20	$128,585	$876,449	$175,290	$46,705
Year 30	$222,861	$1,297,359	$259,472	$36,611

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Why it’s so important now

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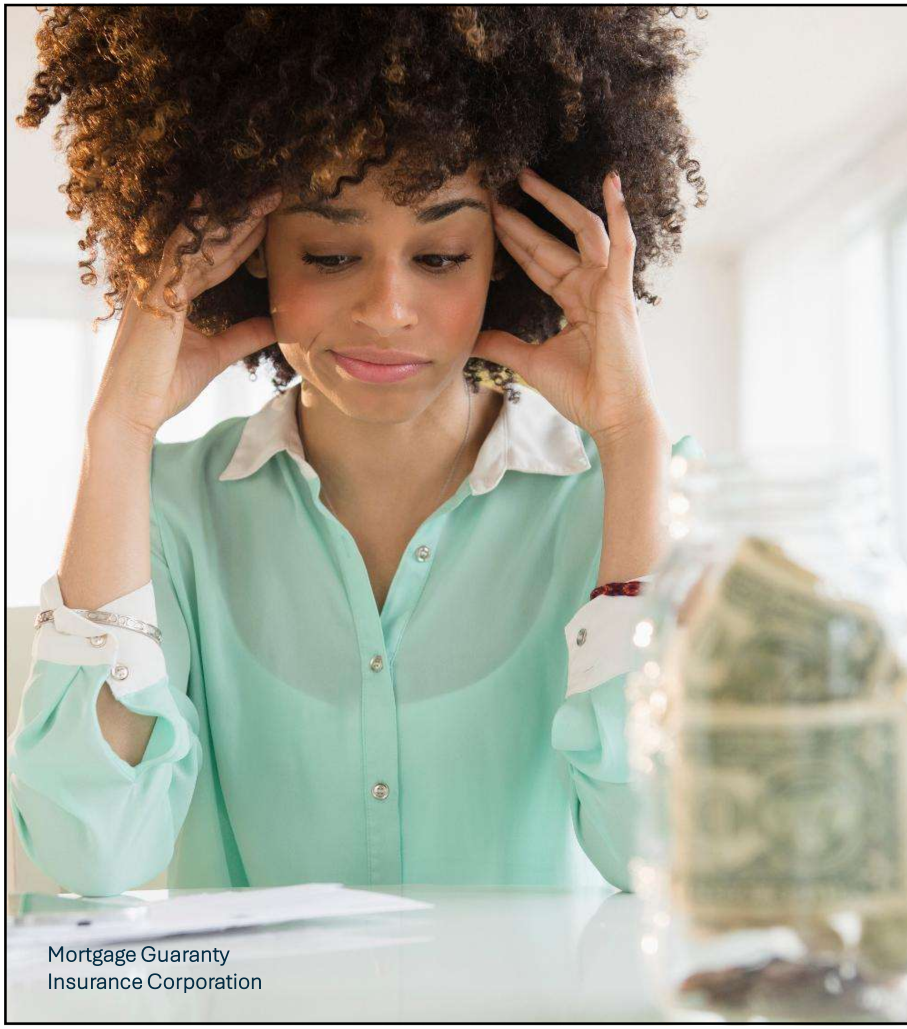

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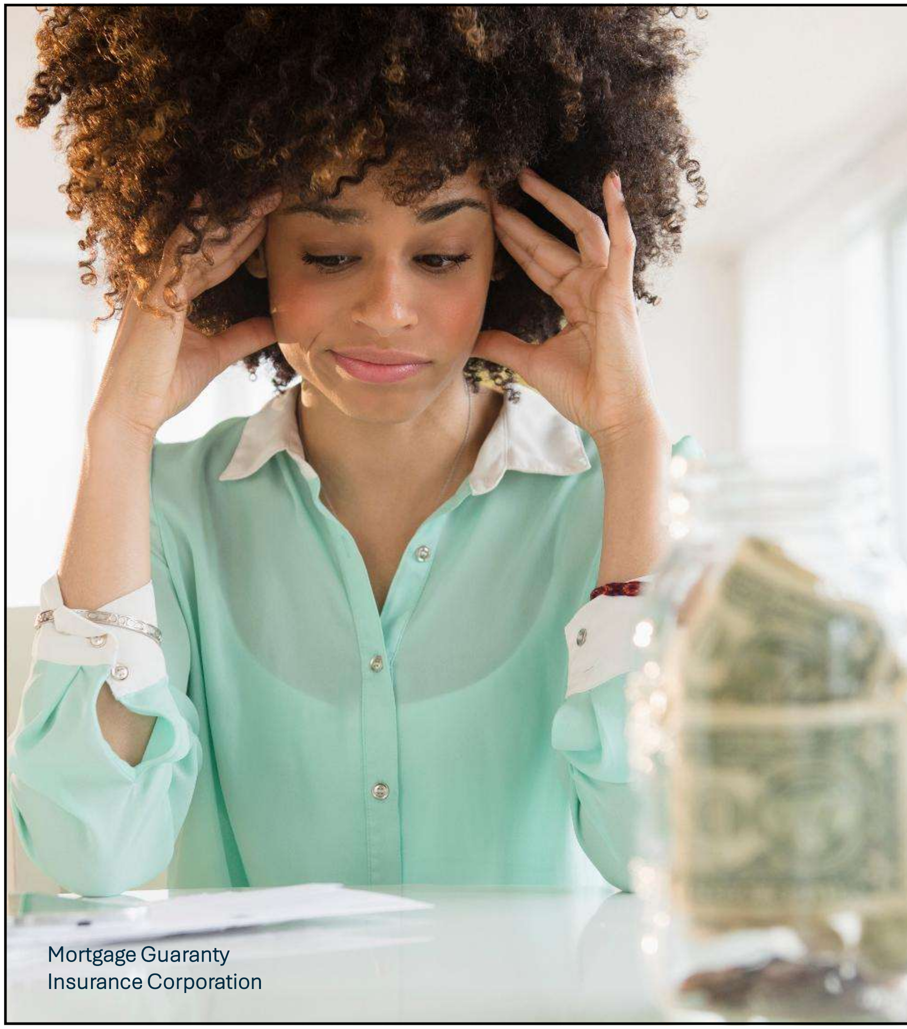
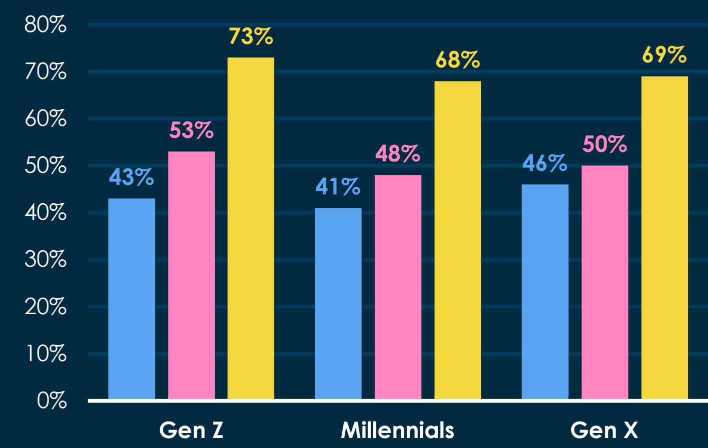
More than 70%
of renters would
prefer to own a home.

Source: Realtor.com, 2025



Main obstacle preventing them from owning?



Can't qualify for mortgage
Can't afford monthly mortgage payment
Can't afford down payment

Source: Motley Fool Money's Millennial Home-Buying and Homeownership Statistics, June 2025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How much do you think you need for a house down payment?
50%
45%
40%
35%
30%
25%
20%
15%
10%
5%
0%
8%
26%
29%
37%
0 - 5%
6 - 10%
11 - 20%
More than 20%
Source: ICE's 2026 Borrower Insights Survey

Thank you for choosing MGIC!

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