

Mortgage Insurance

BAY  **EQUITY**

H O M E L O A N S

What is Mortgage Insurance?

- Insurance that is required by Federal Law when the down payment is less than 20%
- Mortgage Insurance protects the lender in the event of a default by the borrower

FHA Mortgage Insurance

- Requires Upfront MI and monthly MI
- Upfront MI is 1.75% of the loan amount and may be financed into the loan
- Monthly MI is 0.85% annually of the loan amount
- For the loan life; cannot be cancelled (cancellation feature on 15 year fixed only)
- Required regardless of money down

Conventional Loan

- Private Mortgage Insurance required if you are putting less than 20% down
- Amount of insurance is determined by the amount of money down and credit scores
- Can be paid in a single premium up front
- Can be cancelled under some conditions

Rural Development Loans

- RD Guarantee fee is 2% up front (financed like FHA)
- Mortgage Insurance .4% of the loan amount annually
- For the life of the loan. Cannot be cancelled

VA Mortgage Insurance

- ZERO! There is no monthly mortgage insurance for a VA loan
- There is, however, a funding fee which can be financed into your loan.
- Funding fee is waived for disabled veterans.

COMPLIANCE

Equal Housing Lender. This is not a commitment to lend or extend credit. Restrictions may apply. Rates may not be available at time of application. Information and/or data are subject to change without notice. All loans are subject to credit approval. Not all loans or products are available in all states. Bay Equity LLC, 100 California Street Suite 1100, San Francisco, CA 94111-4561; NMLS ID#76988. Licensed by the Department of Business Oversight under the California Residential Mortgage Lending Act- #4150077; Arizona Mortgage Banker License #0910340; Colorado Mortgage Company Registration #76988. Regulated by the Division of Real Estate; Hawaii Mortgage Loan Originator Company License #HI-76988; MBL-7852; Idaho Mortgage Lender Broker License; Illinois Residential Mortgage License # MB.6761094, Illinois Department of Financial & Professional Regulation, Chicago Oce, 100 West Randolph St., 9th Floor, Chicago Illinois 60601, (312)793-3000; Louisiana Residential Mortgage Lending License #76988; Minnesota Residential Mortgage Originator License #MN-MO-76988; Minnesota Residential Mortgage Servicer License #MN-MS-76988.1; Montana Mortgage Lender License #76988; Nevada Mortgage Broker License #3918.; New Mexico Lender License #76988; Licensed as a Mortgage Lender by the Oklahoma Department of Consumer Credit. NMLS# 76988; North Dakota Money Broker License #MB102667 ; Oregon Mortgage Lender License #4845; Texas SML Mortgage Banker Registration #76988 Texas Mortgage Banker Disclosure: <http://bayeq.com/forms/linked-documents/Pursuant-1.pdf> ; Utah DRE Mortgage Entity #7953347; Washington Consumer Loan License #CL-76988; NMLS ID#76988; Wisconsin Mortgage Banker License #76988BA; NMLS consumer access: www.nmlsconsumeraccess.org/EntityDetails.aspx/COMPANY/76988

BECH-150622-1.0

