BRYAN REALTY
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Your advocates. Your agents.®

OPENING DOORS *Together.*



YOUR MONTHLY GUIDE TO
HOMEOWNERSHIP WEALTH AND COMMUNITY

PRIVATE MORTGAGE INSURANCE (PMI)

WHAT IS PMI?

Dreaming of buying a home but don't have 20% to put down?
You're not alone.

Private Mortgage Insurance (PMI) can help you buy sooner—but what exactly is it, and how does it work?

Let's break it down in simple terms.

WHAT IS PMI?

Private Mortgage Insurance is an insurance policy that protects your lender—not you—if you stop making your mortgage payments. It allows lenders to approve loans with less than 20% down.

IT HELPS YOU BECOME A HOMEOWNER SOONER.

WHO PAYS PMI?

PMI is typically paid by the borrower as part of their monthly mortgage payment. The cost depends on:

- The loan amount
- Your credit score
- The size of your down payment
- The type of loan

HOW MUCH DOES PMI COST?

PMI usually ranges from 0.3% to 1.5% of your original loan amount per year.

EXAMPLE:
On a $300,000 loan, PMI could cost between $75 to $375 per month.

CAN PMI BE REMOVED?

Yes! PMI isn't forever. You can typically have it removed when:

- You reach 20% equity in your home through payments and appreciation
- You can request removal at 22% equity (lender must remove it at 25% equity)

TIP: Keep making those payments—every payment builds equity and gets you closer to saying goodbye to PMI!

TYPES OF LOANS THAT MAY REQUIRE PMI

- Conventional loans with less than 20% down
- Some FHA loans (paid as Mortgage Insurance Premium)
- Some VA loans (funding fee, not PMI)
- USDA loans (guarantee fee, not PMI)

THINGS TO REMEMBER

- PMI protects the lender, not you
- It's a common part of homeownership
- There's a path to removing it
- Your REALTOR® can help you explore low down payment options and plan for the future

THE BENEFITS OF PMI

- Buy a home sooner
- Build equity instead of paying rent
- Take advantage of home appreciation
- More options in competitive markets



OUR ADVICE

Don't let the idea of PMI stop you from pursuing homeownership. It's simply a tool that can help you reach your goals faster. Let's create a plan that works for your budget and your future.

Homeownership builds wealth.
We're here to open doors and walk with you every step.

Opening Doors Together

Your home is one of your largest investments. Whether you're buying, selling or preparing to sell tomorrow, we're here to help you make improvements that support **your goals—not just your budget.**

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