



# Rate Notes

## Credit Union

**Rate Notes**  
**Effective Date: August 5, 2019**

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All of Enact’s mortgage insurance premium rates are subject to the terms set forth in this document.



## Premium Plans

**Monthly Premium MI** is a payment option which features a coverage term of one month; premiums are remitted monthly. The premium rate shown is the annualized first year and renewal premium rate. To determine the monthly premium, multiply the premium rate by the loan amount and divide by 12.

**Zero Monthly Premium MI** is a payment option which features monthly premium rates (see Monthly Premium MI) that are billed one month in arrears; no initial premium required at closing to activate coverage.

**Level Annual Premium MI** is a payment option which features a coverage term of twelve months; premiums are remitted annually. The Level Annual option features one identical rate for both first year and renewal premiums. The first-year premium may be financed into the loan amount.

**Single Premium Lender Paid MI (LPMI)** One-time premium payment provides coverage for the life of the loan.

**Single Premium Borrower Paid MI (BPMI)** One-time premium payment provides coverage that remains in effect until cancelled in accordance with federal and state cancellation laws or investor requirements.

**Split Premium MI** is a payment option that features lower monthly rates combined with an upfront premium due at closing.

## Loan Terms

### **Monthly Premium MI and Split Premium MI:**

**>20 Year:** Fully amortize over a period greater than twenty years and no greater than forty years.

**≤ 20 Year:** Fully amortize over a maximum of twenty years.

### **Single Premium MI:**

**30 Year:** Fully amortize over a period greater than twenty-five years and no greater than forty years.

**≤ 25 Year:** Fully amortize over a maximum of twenty-five years.



## Loan Types

**Fixed Payment Loans:** Feature level payments for the first five years and offer no rate concessions nor have the potential for negative amortization.

**Non-Fixed Payment Loans:** Feature payment changes or the potential for payment changes during the first five years of the mortgage. Loans featuring negative amortization are not permitted.

**Temporary Buydown:** Loans with temporary interest rate buydowns are considered Fixed Payment Loans when the permanent payment terms of the mortgage instrument reflect the definition above; all other loans with temporary interest rate buydowns are considered Non-Fixed.

## Renewal Premiums

### For constant renewals:

- Monthly, Zero Monthly, Level Annual and Split Premium MI: The renewal premium rate is applied to the original loan balance for years 1 through 10.
- For years 11 through term, the rate is reduced to 0.17% or remains the same if the rate is less than 0.17%.

### For declining renewals:

The renewal premium rate is applied annually to the outstanding loan balance for years 1 through term. The loan balance is adjusted annually on the anniversary of the loan close date.

## Refund Options

**Non-Refundable BPMI:** For non-refundable Premium Plans, no premium will be refunded when coverage is cancelled, unless cancelled under the Homeowners Protection Act of 1998. HPA Cancellations will result in a refund of unearned premium; Single Premium and Upfront Premium of Split Premium use Refund Schedule F; refunds for all other premium plans are pro-rata based on term of coverage.

**Monthly and Zero Monthly, Level Annual and Monthly Premium of Split Premium Refundable BPMI:** Premiums are refunded on a pro-rata basis.

**Single Premium MI Refundable BPMI:** Premiums are refunded according to the LTV/Term Based Refund Schedule. Subject to state approval.

For Refund Schedules, go to our website: [EnactMI.com](https://www.enactmi.com)

**LPMI:** Premiums are Non-Refundable.



## Additional Notes

### Minimum Rate

If no minimum rate is shown on a rate card, the rate floor, including premium adjustment, for:

- Monthly Premium MI is .15%
- Single Premium Borrower Paid MI is .30%
- Single Premium Lender Paid MI is .40%

### Maximum Rate BPMI

The maximum rate, including premium adjustment, for:

- Monthly Premium MI is 3.00%
- Single Premium MI is 5.00%

**Financed Premium:** The MI premium may be financed into the loan amount for Single Premium and Level Annual (first year premium) and Split Premium (upfront premium). Refer to our **Underwriting Guidelines** to determine the LTV category for premium rates. Applies to BPMI only.

**Peak Portfolio<sup>SM</sup>:** Peak Portfolio LTV rate adjusters are applicable only to coverage underwritten by Genworth Mortgage Insurance Corporation of North Carolina (GMIC-NC) under its Peak Portfolio program. Peak Portfolio is an opt-in program and may not be available in all states at this time. GMIC-NC is not a Government Sponsored Enterprise (GSE) approved insurer. Loans underwritten by GMIC-NC are not currently eligible for sale to the GSEs.

**Home Suite Home<sup>®</sup>:** Home Suite Home Supplemental Coverage Program is available at no additional cost to either the Insured or its borrower.

Adjustments	760+	740-759	720-739	700-719	680-699	660-679	640-659	620-639
Home Suite Home <sup>®</sup>	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%

**Relocation Loans:** To qualify for relocation rates, the loan must first meet Enact guidelines for relocation mortgages as found in our **Underwriting Guidelines**.

**Nontraditional Credit:** Apply the rates from the lowest credit score range found on the rate card.

**Underwriting Guidelines:** Refer to our **Underwriting Guidelines** to determine loan eligibility.

**Investor Coverage:** As with all programs, check directly with your investor for specific coverage requirements.



**Rate Modification Characteristics:** Various states allow variations in rates based on lender and borrower performance and risk characteristics as well as certain other factors.

**Premium Waiver:** Occasionally loan characteristics may change between the most recent quote for Enact MI pricing and the MI order. In certain instances, a variation to one or more loan characteristics may cause a change in the overall MI premium rate. In such circumstances, a customer may request a premium waiver from Enact’s ActionCenter® relating to the variations in the loan characteristic. Enact in its sole discretion may allow a premium waiver in accordance with its loan characteristic variance tolerances in effect as of the date of the request. Enact’s tolerances may be changed unilaterally by Enact at any time. Please contact Enact’s ActionCenter or your Enact Sales Representative with any questions.

**Standard GSE Coverage Requirements**

LTV	Fixed >20 yrs: All ARMs	Fixed ≤20 yrs	HomeReady™ & HP® >20 yrs	HomeReady & HP® <20 yrs
97%-95.01%	35%	35%	25%	25%
95%-90.01%	30	25	25	25
90%-85.01%	25	12	25	12
85%-80.01%	12	6	12	6

HomeReady™ is a trademark of Fannie Mae.

Home Possible® and HP® are registered trademarks of Freddie Mac.

Refer to Fannie Mae and Freddie Mac guidelines for complete coverage requirements.

**SONYMA Coverage Requirements:** Check directly with SONYMA for specific coverage requirements.

**Rates may not be available or approved in all states.**

**Rates are based on the lender’s home office location.**



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