

The rates in this schedule apply to all states SUBJECT TO STATE APPROVAL. If you have questions about adjusting a rate, or need a coverage not shown, please contact your Triad Guaranty underwriting office or visit our website at [www.triadguaranty.com](http://www.triadguaranty.com) for more information.

Max 90% LTV in AZ, CA, FL & NV. For LTV restrictions in other declining markets please refer to Triad Guaranty's Quick Reference Underwriting Guideline Summary.

# Refundable Monthly Premiums

### Adjustments to Refundable Monthly Rates\*

Level Annual Rates	- 0.04
Rate/Term Refi	- 0.05
Relocation Rates <sup>1</sup> LTV up to 95%	
LTV > 85.01% - 95.00%	- 0.13
LTV ≤ 85.00%	- 0.11
Second Homes	+ 0.14
Investment Properties	+ 0.38
Cash-Out Refinances	+ 0.10

\* Monthly rates cannot be adjusted to below 0.15 unless the loan qualifies under a relocation program. If a Level Annual rate adjustment results in a rate below 0.15, that rate cannot be reduced any further, unless the loan qualifies under a relocation program.

<sup>1</sup> Relocation rates available only for loans with LTVs of 95% or less. Relocation rates cannot be reduced below 0.10. See definition of Relocation Mortgage on Terminology page.

**Monthly premiums** have a coverage term of one month and premiums are remitted monthly. The premium rate shown is the annualized rate. Amount to be remitted monthly is determined by dividing the annual premium by 12. Premiums are rounded to the nearest penny.

**Mini-monthly option:** A mortgage insurance premium payment is not required at the loan closing.

**Constant Rates for Monthlies and Level Annuals:** Constant renewal premiums are calculated on the original loan balance. The rate remains the same for years 1 through 10. For years 11 through term, the rate for both monthlies and level annuals is reduced to 0.20 or remains the same as years 1 through 10 if less than 0.20. Premium rate adjustments should not be applied to the 0.20 rate in years 11 through term.

**Amortized Rates for Monthlies and Level Annuals:** Amortized renewal premiums are applied to the outstanding loan balance at each renewal. For monthly premiums, the loan balance will be adjusted at least each annual anniversary of the certificate. The rate remains the same years 1 through term.



101 South Stratford Road  
Winston-Salem, NC 27104  
800-451-4872

[www.triadguaranty.com](http://www.triadguaranty.com)

680 & greater credit score

620 & greater credit score

### Fixed Rate/Fixed Payment Mortgages

LTV	Coverage	30-year	25-year
97.00% - 95.01%	40%	1.09	0.98
	35%	0.96	0.85
	30%	0.84	0.75
	25%	0.71	0.64
	20%	0.61	0.53
	18%	0.59	0.49
	12%	0.52	0.36
95.00% - 90.01%	35%	0.90	0.79
	30%	0.78	0.67
	25%	0.67	0.56
	16%	0.54	0.43
	35%	0.67	0.56
	30%	0.60	0.49
	25%	0.52	0.41
90.00% - 85.01%	17%	0.39	0.28
	12%	0.34	0.23
	30%	0.52	0.41
	25%	0.43	0.32
	20%	0.39	0.28
	17%	0.37	0.26
	12%	0.32	0.21
85.00% & under	17%	0.37	0.26
	12%	0.32	0.21
6%	0.27	0.16	

### Temporary Buydowns & ARMs (with annual caps of 1% or less)

LTV	Coverage	30-year	25-year
97.00% - 95.01%	40%	1.30	1.19
	35%	1.17	1.06
	30%	1.05	0.94
	25%	0.92	0.81
	20%	0.80	0.69
	18%	0.76	0.65
	12%	0.59	0.41
95.00% - 90.01%	35%	1.05	0.94
	30%	0.88	0.77
	25%	0.73	0.62
	16%	0.59	0.48
	35%	0.82	0.71
	30%	0.73	0.62
	25%	0.61	0.50
90.00% - 85.01%	17%	0.44	0.33
	12%	0.35	0.24
	30%	0.61	0.50
	25%	0.49	0.38
	20%	0.44	0.33
	17%	0.38	0.27
	12%	0.33	0.22
85.00% & under	17%	0.38	0.27
	12%	0.33	0.22
6%	0.29	0.18	

### Non-Fixed Rate/Payment Mortgages (with annual caps of greater than 1%)

LTV	Coverage	30-year	25-year
97.00% - 95.01%	40%	1.34	1.23
	35%	1.21	1.10
	30%	1.09	0.98
	25%	0.96	0.87
	20%	0.87	0.75
	18%	0.84	0.70
	12%	0.73	0.50
95.00% - 90.01%	35%	1.09	0.98
	30%	0.92	0.81
	25%	0.77	0.66
	16%	0.61	0.50
	35%	0.86	0.75
	30%	0.77	0.66
	25%	0.65	0.54
90.00% - 85.01%	17%	0.48	0.37
	12%	0.39	0.28
	30%	0.65	0.54
	25%	0.53	0.42
	20%	0.48	0.37
	17%	0.42	0.31
	12%	0.37	0.26
85.00% & under	17%	0.42	0.31
	12%	0.37	0.26
6%	0.32	0.21	

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## Terminology

**All Premium Rates** are expressed as percentages

### Mortgage Terms

Mortgages that amortize over more than 25 years, but not more than 40 years, use the 30-year rates. Mortgages that amortize over 25 years or less use the 25-year rates.

### Loan-to-Value, or LTV

Loan-to-Value, or LTV, is the ratio of the loan amount to the lesser of the sales price or the appraised value, expressed as a percentage.

### New York Properties Loan-to-Value, or LTV

New York Properties Loan-to-Value, or LTV to issue MI is based on the ratio of the loan amount to the appraised value expressed as a percentage. If the ratio is 80% or higher, MI can be issued and the standard LTV calculation above can be used for the premium.

### Fixed Rate Mortgages

Fixed Rate Mortgages feature level interest rates and payments for the first 5 years of the mortgage. All plans must meet the following conditions: (1) the loan period cannot exceed 40 years and (2) offer no temporary buydowns, rate concessions, graduated payment features or have the potential for negative amortization during the first 5 years. Potential or scheduled negative amortization is not permitted for New York properties.

### Temporary Buydowns and ARMs with annual caps of 1% or less

Temporary Buydowns and ARMs with annual caps of 1% or less feature payment changes, or the potential for payment changes, during the first 5 years of the mortgage. Included are fixed rate loans with 1% annual temporary buydowns; one-year or six-month ARMs with 1% or less annual effective interest rate caps; 3/3, 3/1 and 2/1 ARMs with the initial interest rate adjustments of 3% or less.

### ARMs with annual caps greater than 1% (Non-Fixed)

ARMs with Annual Caps Greater than 1% (Non-Fixed) feature payment changes or the potential for payment changes during the first 5 years of the mortgage. Included are adjustable rate mortgages, balloons with a term of less than 5 years, rate concessions, buydowns and potential negative amortization

during the first 5 years. Potential and scheduled negative amortization is not permitted for New York properties.

### Second Homes

Second Homes are properties that are occupied by the borrower, but not as a primary residence.

### Investor Loans

Investor Loans are properties that are used for rental purposes or are not occupied by the borrower.

### Rate/Term Refinances

Rate/Term Refinances are refinanced loans featuring cash back to the borrower in an amount not to exceed the greater of that permitted by applicable Fannie Mae, Freddie Mac, or investor guidelines. With respect to investor guidelines, cash back to the borrower cannot exceed the lesser of 2% of the balance of the new refinanced mortgage or \$2,000.

### Cash-Out Refinances

Cash-Out Refinances are refinanced loans featuring cash back to the borrower in excess of that permitted for Rate/Term Refinanced Loans as defined herein.

### Alt A Loans

Alt A Loans, also called reduced documentation or limited/no doc loans, are loans where the borrower provides little or no income and/or asset documentation. These programs should be approved by Triad in advance of insuring individual loans. These loans typically do not meet the GSE definition of full or alternative documentation.

### Credit Score

A Credit Score (also called FICO®) must be from either Equifax, TransUnion® or Experian<sup>SM</sup>. It should be either the middle of three scores or the lower of two scores. The credit score must be based on at least three tradelines and be an accurate and complete reflection of the primary borrower's (main income provider) credit history. Credit scores are required with all submissions.

### 3/2 Programs

For 3/2 Programs, the borrower must provide a minimum of 3% of his/her own funds.

### Negative Amortization

Negative Amortization occurs when the monthly payment is insufficient to fund complete repayment of the loan at its end of term, so that the balance owed may increase, rather than decrease over the life of the loan. This category includes any loan that features negative amortization or the potential for negative amortization.

### Scheduled Negative Amortization

Scheduled Negative Amortization mortgages are mortgages that will incur negative amortization according to a rigid payment and amortization schedule that does not vary with the interest rate; or, any potential negative amortization mortgage where the negative amortization can be greater than 25% of the initial mortgage balance.

*Mortgage programs allowing loans with potential or scheduled negative amortization are not insurable with Triad Guaranty.*

### Relocation Mortgages

A Relocation Mortgage is one made to an employee who is moving because of a transfer to a new job location under a corporate relocation program. It is not a mortgage made to a new employee as an inducement to join the company. Fannie Mae and Freddie Mac guidelines set forth the elements that identify an employee's loan as a relocation mortgage.

### Cancellation of Refundable Premiums

If mortgage insurance is cancelled pursuant to the Homeowners Protection Act of 1998 (HPA), contact Customer Service at 888-691-8074 for the refund amount. If mortgage insurance is cancelled for any other reason, contact Customer Service for the appropriate refund schedule.

## Questions?

If you have questions, or need additional information, please contact your Triad Guaranty Account Executive or underwriting office, or email underwriting support at [uw\\_support@tgc.com](mailto:uw_support@tgc.com).



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