

MOVE UP TO HOMEOWNERSHIP

WITH A DOWN PAYMENT LOWER THAN YOU THINK

With rents soaring, buying a home offers significant month-by-month savings for eligible members. You could save \$984 a year and \$4,920 over five years through lower monthly payments. For many renters, the down payment is the obstacle. But when you finance your loan with mortgage insurance (MI), the down payment could be as low as 5%, 3% or less!

COMPARE THE NUMBERS

RENTING — vs. — **BUYING**

\$2,150

SECURITY DEPOSIT



\$15,790

5% DOWN PAYMENT FOR \$300,000 MORTGAGE

\$2,150

MONTHLY RENT¹



\$2,068

MONTHLY MORTGAGE PAYMENT (INCLUDING INTEREST AND MORTGAGE INSURANCE)²

\$25,800

TOTAL RENT PAYMENTS PER YEAR



\$24,819

TOTAL MORTGAGE PAYMENTS PER YEAR

\$131,065

5 YEARS OF RENT PAYMENTS PLUS SECURITY DEPOSIT



\$124,097

5 YEARS OF MORTGAGE PAYMENTS

TAX SAVINGS AND BUILDING EQUITY

Discover how you could come out more than \$57,224 ahead over five years when you factor in the **tax savings** and **building equity** in the home.

RENTING

— vs. —

BUYING

\$0

TAX SAVINGS ON MORTGAGE INTEREST DEDUCTION³

\$22,034

\$0

ABILITY TO BUILD EQUITY⁴

\$30,270

\$52,304 + \$4,920 = \$57,224

TAX SAVINGS AND EQUITY

DIFFERENCE BETWEEN RENT AND MORTGAGE PAYMENTS

COST SAVINGS OF OWNING A HOME OVER 5 YEARS

Buying a home could be a better financial decision than continuing to rent. Lower down payments are available through **Arch MI's Buy with MI**, a suite of mortgage insurance products, solutions and resources that support affordable mortgages — as low as 3% for loans insured by Arch MI, and 1% for qualified members with loans insured by Arch Mortgage Guaranty Company.

Ask us how you can qualify.

ASSUMPTIONS: Base loan amount \$300,000, two borrowers, 720 credit score, 41% DTI, 30-year fixed-rate purchase loan with a 6.875% note rate, single-family house, stable market, 95% LTV priced by Arch MI RateStar®. Premium as of June 20, 2024. Net housing expenses exclude pre-paid loan fees, closing costs, property taxes and insurance. U.S. median monthly rent, according to Zillow (July 19, 2024).

¹ U.S. median monthly rent, according to Zillow (July 19, 2024).

² Monthly mortgage, including principal and interest (PI) and mortgage insurance (MI).

³ Potential savings on mortgage interest deduction for those who itemize. Members should consult their tax adviser for more details.

⁴ Home equity calculation assumes average home price appreciation of 1% annually.

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