

How You Can Avoid Paying PMI

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Private mortgage insurance (PMI) is tagged onto the cost of the property you're buying if you have to finance more than 80% of the purchase price. Buyers typically look into "workarounds" in order to avoid paying more than they have to, and luckily, there are a few options that can scratch this cost off your list.

One workaround is to take out more than one loan at the same time. Doing so will allow the loans to "cancel out" each other so that you are not financing more than 80% on paper. Splitting the cost, however, means you'll need to be approved for more than one at once, which can get tricky.

Opting for lender-paid insurance will also take away PMI. However, this can increase the rate paid on the home. A final way to take away the cost is to put at least 20% down on the home upfront if you have the funds. Make sure to do the math to see which option works best.

For more options, call your mortgage professional today!

Word Count: 175

Source: <https://www.investopedia.com/ask/answers/071514/how-can-i-avoid-paying-private-mortgage-insurance-pmi.asp#:~:text=You%20can%20avoid%20PMI%20by,interest%20rate%20on%20your%20mortgage.>

| Readability Statistics | | ? | × |
|----------------------------|-------|----|---|
| Counts | | | |
| Words | 205 | | |
| Characters | 999 | | |
| Paragraphs | 8 | | |
| Sentences | 11 | | |
| Averages | | | |
| Sentences per Paragraph | 2.2 | | |
| Words per Sentence | 17.5 | | |
| Characters per Word | 4.6 | | |
| Readability | | | |
| Flesch Reading Ease | 62.3 | | |
| Flesch-Kincaid Grade Level | 8.9 | | |
| Passive Sentences | 18.1% | | |
| | | OK | |