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REMOVING PMI — WHAT ACTUALLY QUALIFIES

PMI falls off two ways. One happens to you. The other, you make happen.

THE PASSIVE WAY

Automatic termination

By law, PMI is automatically cancelled once your loan balance hits 78% of your home's *original* value — based purely on your scheduled payments, with no appreciation factored in. It happens eventually. It just takes a while.

THE ACTIVE WAY

Appreciation gets you there faster

If your home's value has gone up, your equity grew faster than your payment schedule alone would get you. Once you've got 20% equity based on *current* value, you can request PMI removal — often years earlier than the automatic date.

Here's the part that actually matters: removing PMI early isn't automatic — **you have to ask for it**, and usually back it up with a new appraisal or valuation showing where your home sits today. Nobody's calling you to say "hey, your home went up in value, let's drop your PMI." That's exactly why it's worth keeping an eye on your Homebot report instead of just waiting for the automatic date to roll around — a few years of normal appreciation can easily be the difference between paying PMI for 3 more years or stopping it this year.