

The background of the slide is a composite image. The top portion features a row of colorful, stylized houses in shades of orange, yellow, blue, and green. The bottom portion is a dark, blue-tinted photograph of a large, white, two-story house with a prominent front porch supported by columns. In the foreground of this photograph, several children are playing on the lawn.

# MGIC

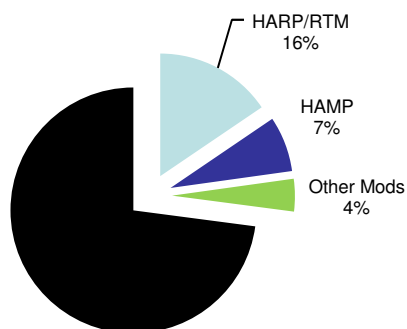
**MGIC Investment Corporation  
Q2 2014 Portfolio Supplement**

**July 16, 2014**

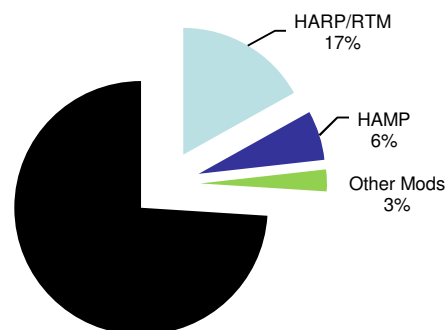
*The information in this document does not include our Australian operations, which are immaterial*

# Summary of Loan Modification and HARP Activity

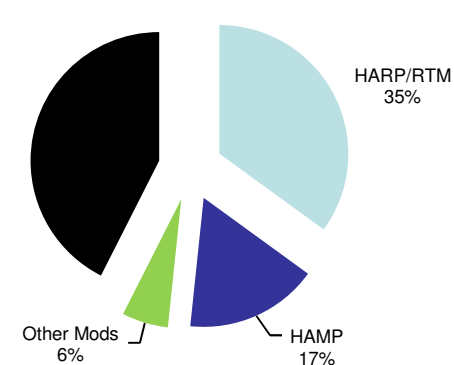
**Risk in Force  
Total Primary Book**



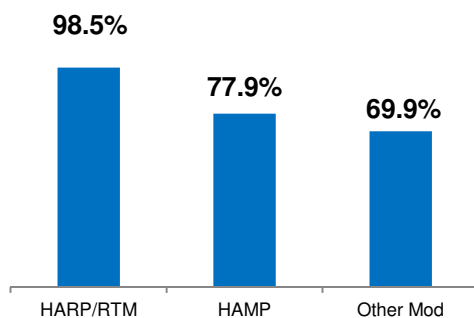
**Risk in Force  
Flow Primary Book**



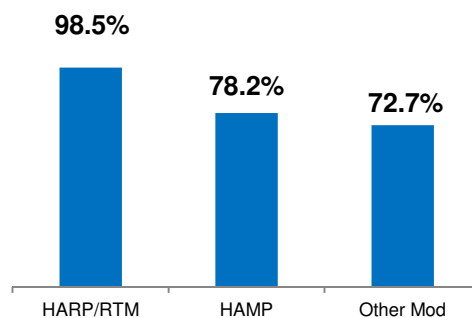
**Risk in Force  
2007 Flow Primary Book**



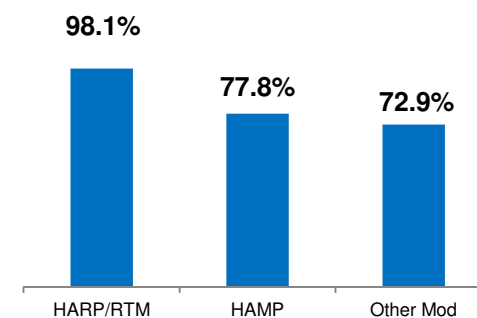
**% Current at 6/30/2014  
(# of loans)**



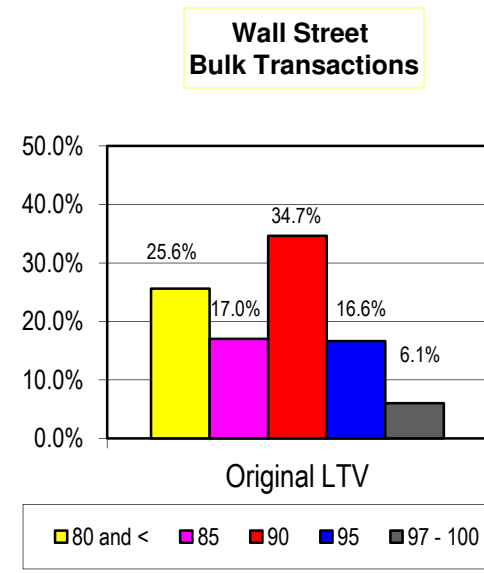
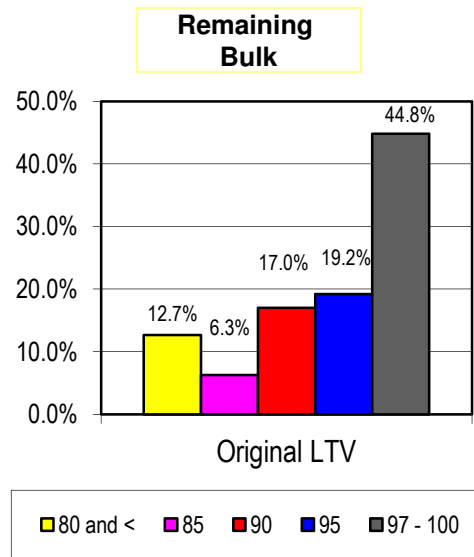
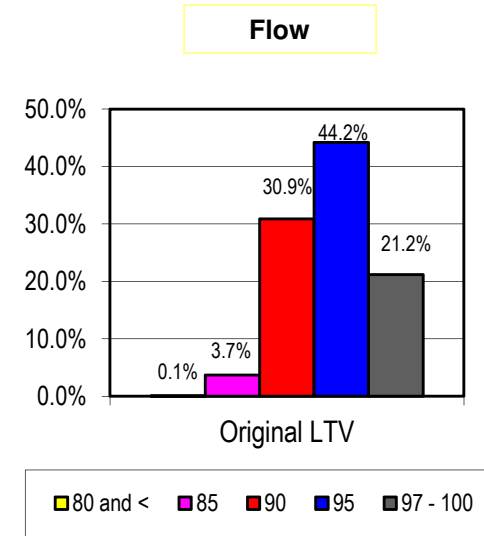
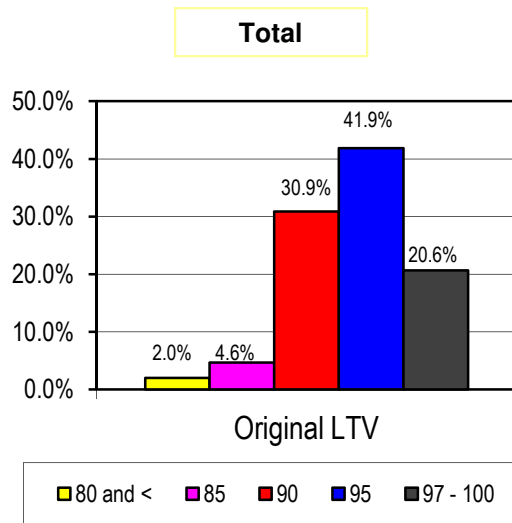
**% Current at 6/30/2014  
(# of loans)**



**% Current at 6/30/2014  
(# of loans)**

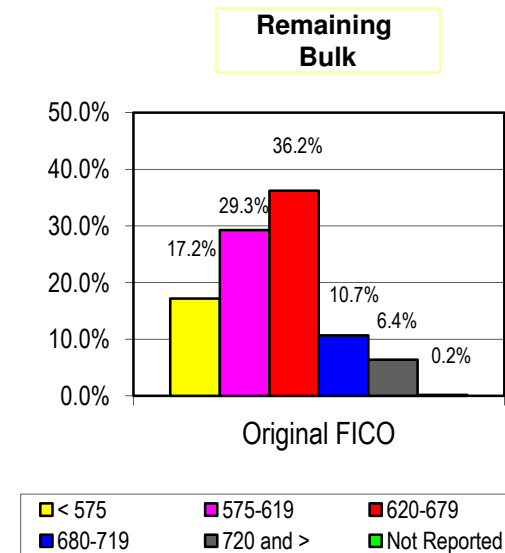
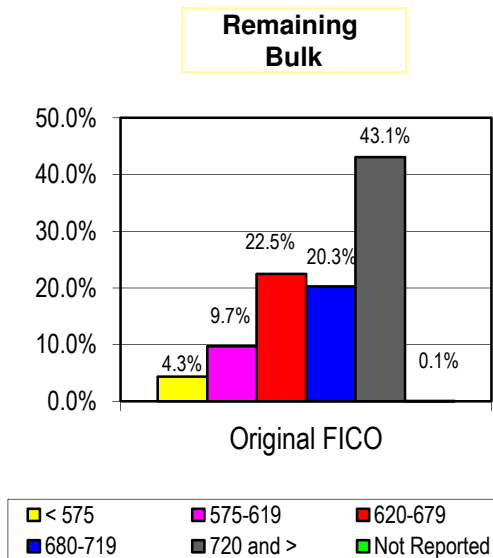
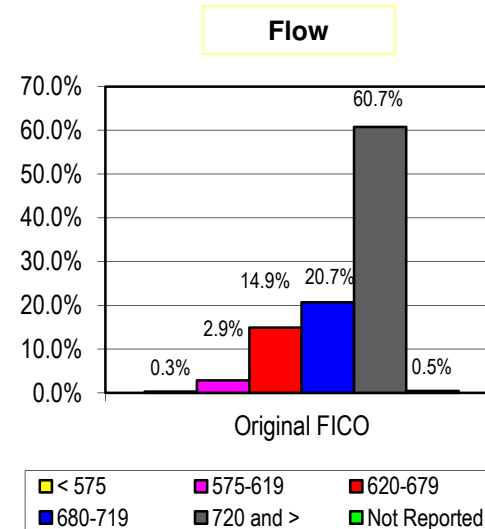
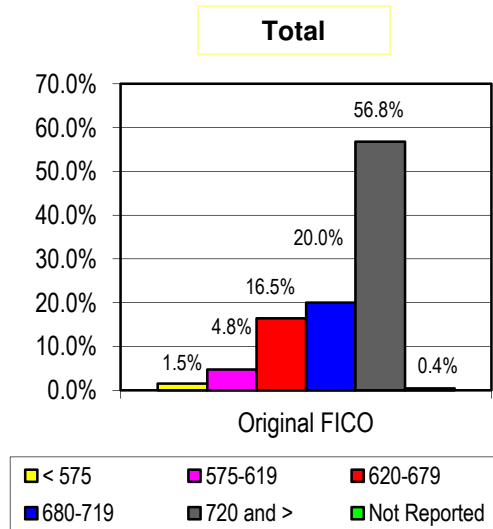


# Primary Risk in Force June 30, 2014



Note: Charts may not add to 100% due to rounding

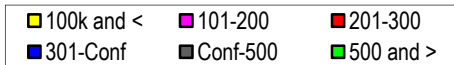
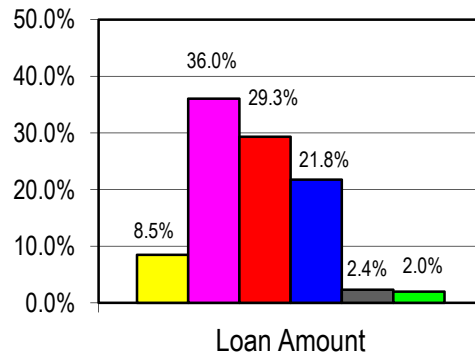
## Primary Risk in Force June 30, 2014



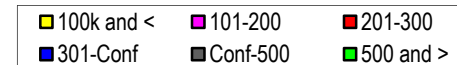
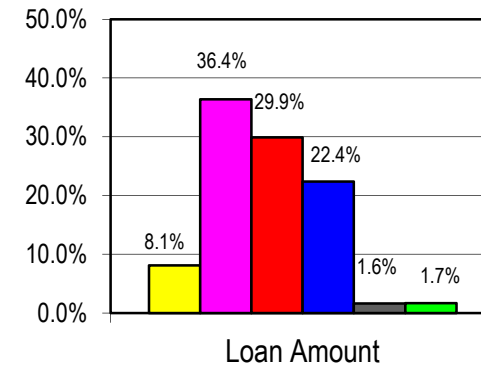
Note: Charts may not add to 100% due to rounding

## Primary Risk in Force June 30, 2014

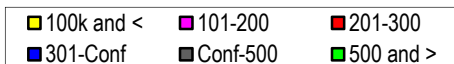
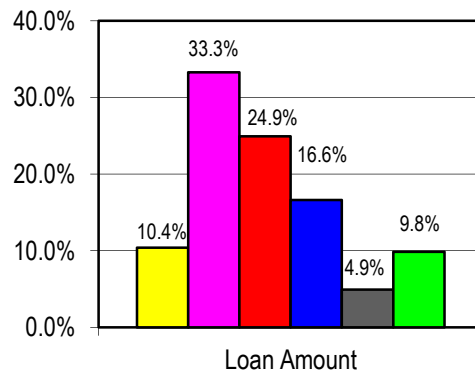
**Total**



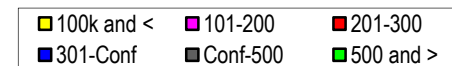
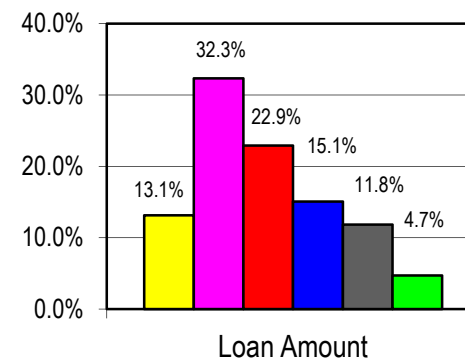
**Flow**



**Remaining Bulk**

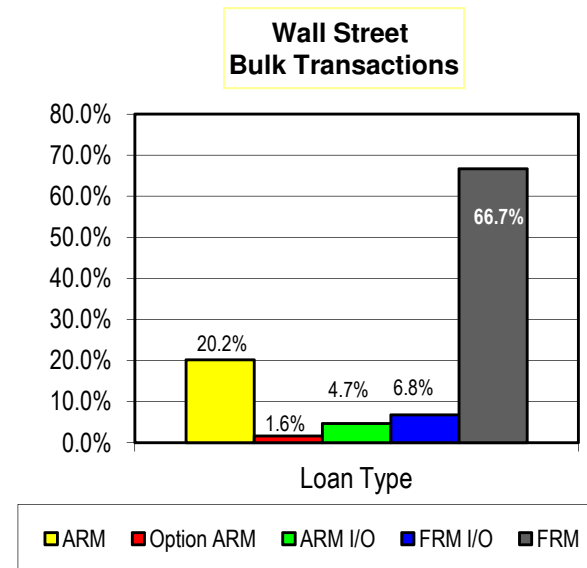
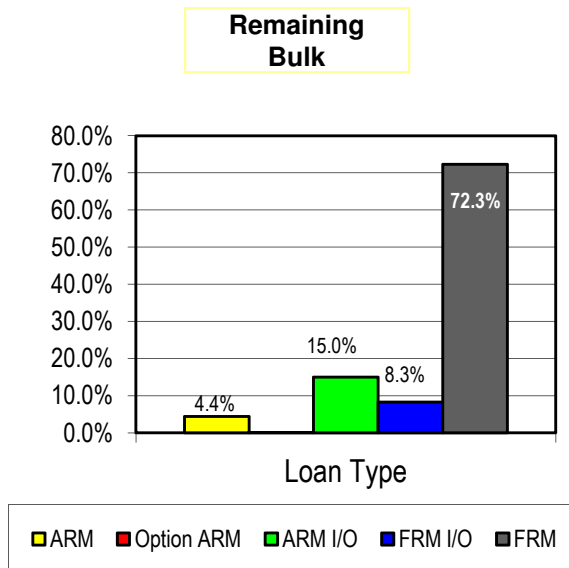
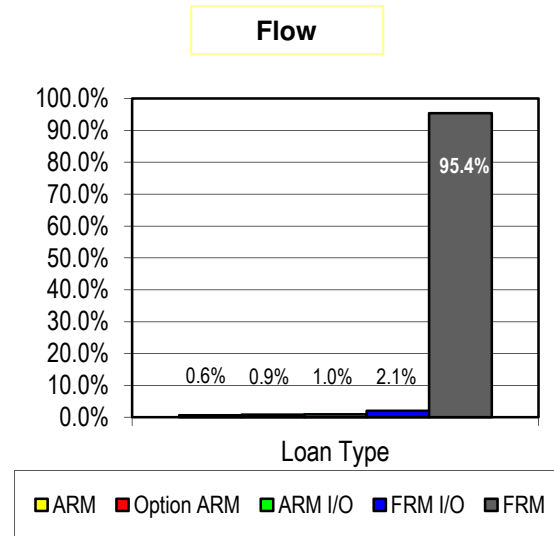
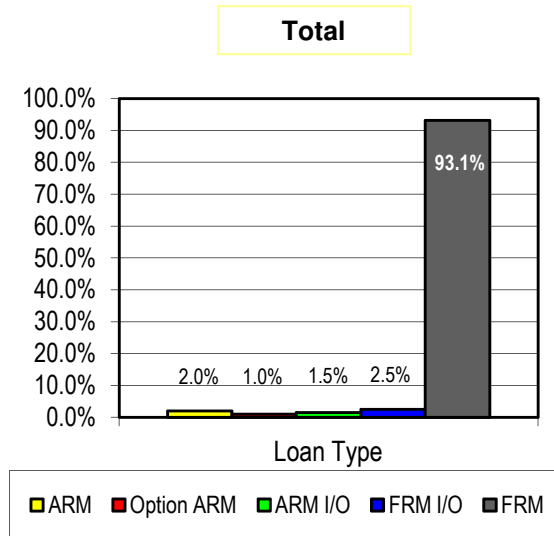


**Wall Street Bulk Transactions**



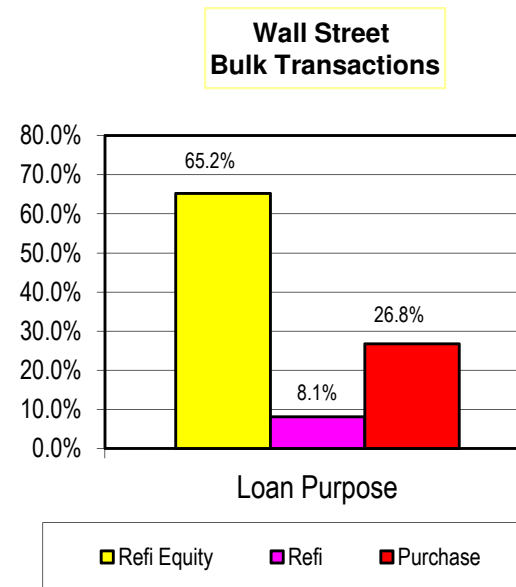
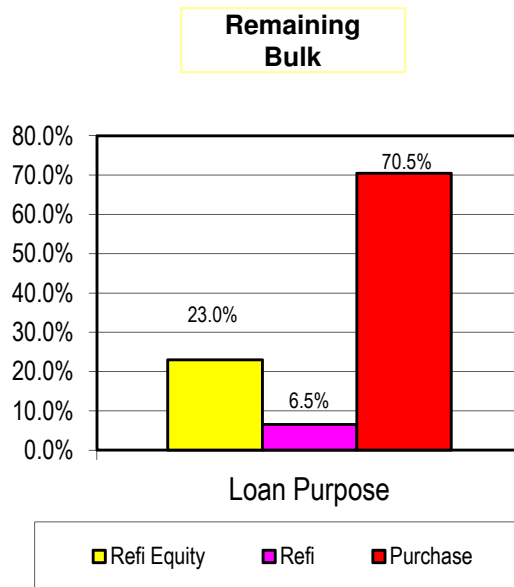
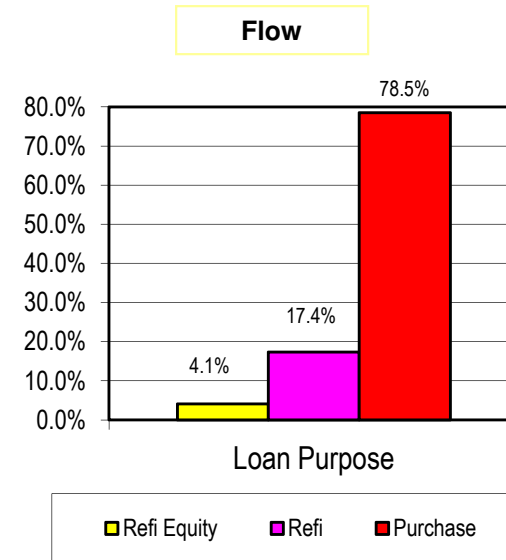
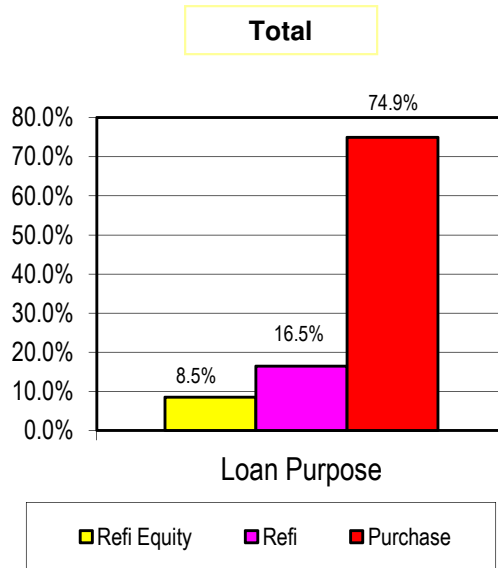
Note: Charts may not add to 100% due to rounding

## Primary Risk in Force June 30, 2014



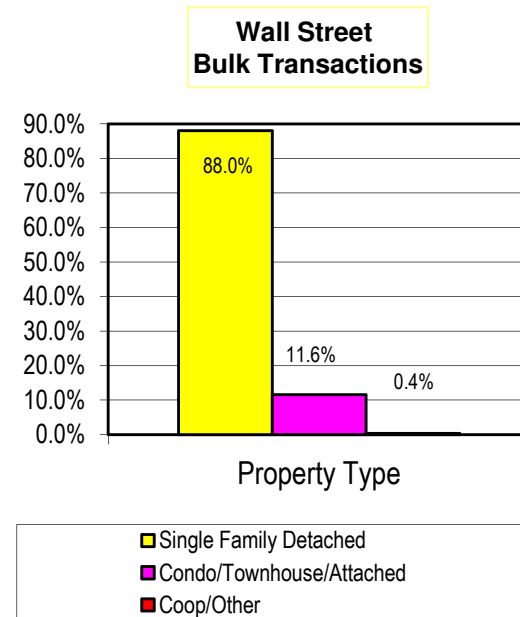
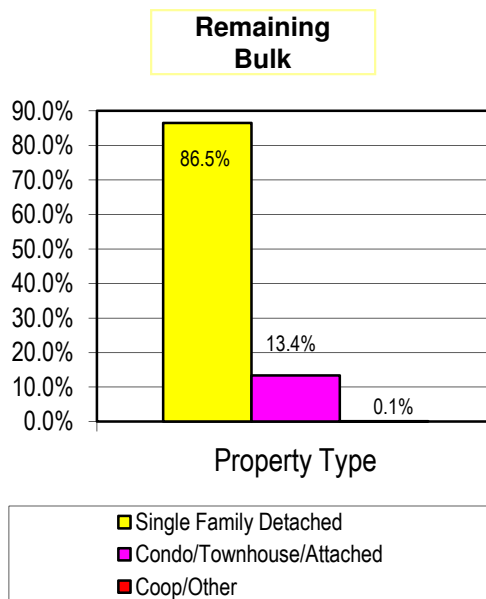
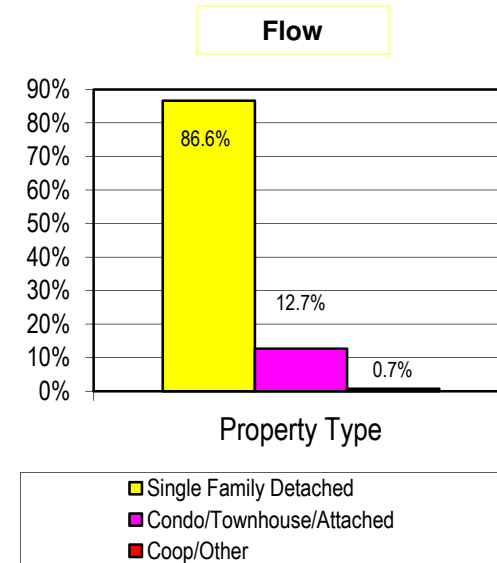
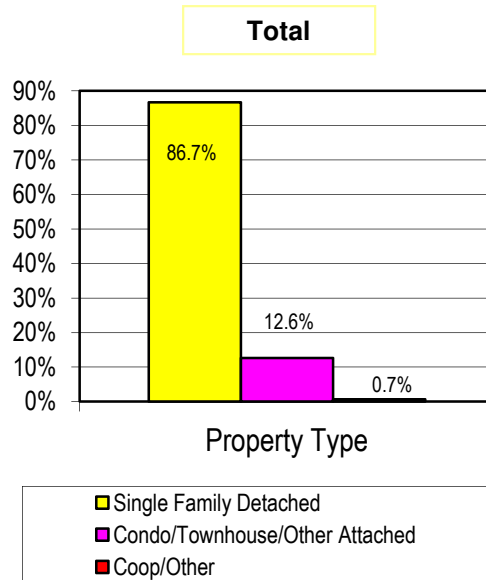
Note: Charts may not add to 100% due to rounding; FRM includes ARMs with initial reset periods of greater than 5 years, ARM I/O includes all ARMs regardless of reset period  
Approximately 97% of Remaining Bulk Interest Only ARMs have initial interest only periods of 5 years or more

# Primary Risk in Force June 30, 2014



Note: Charts may not add to 100% due to rounding

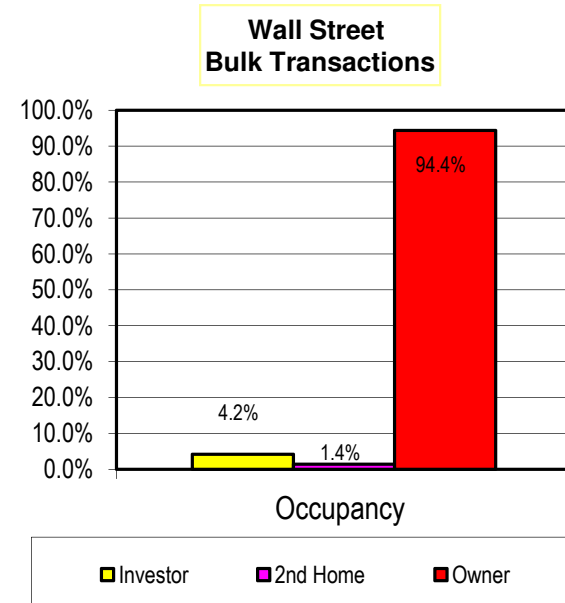
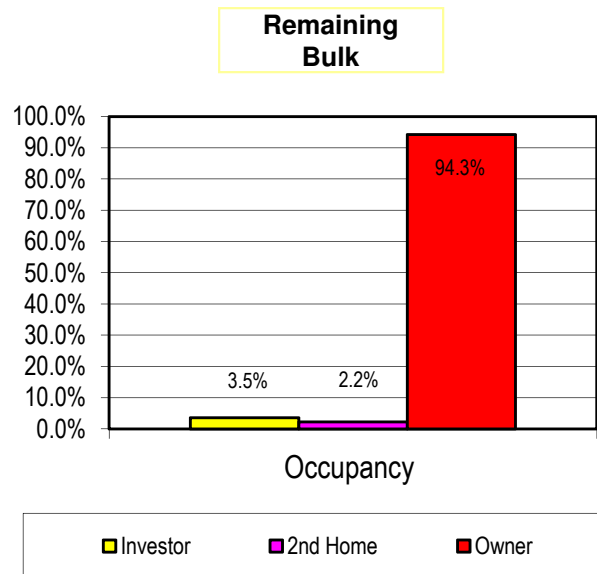
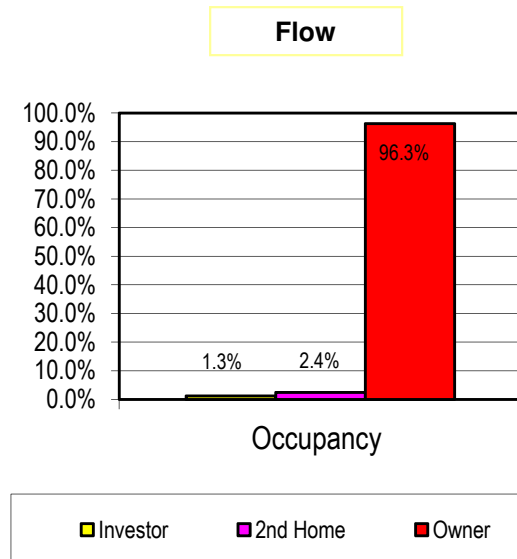
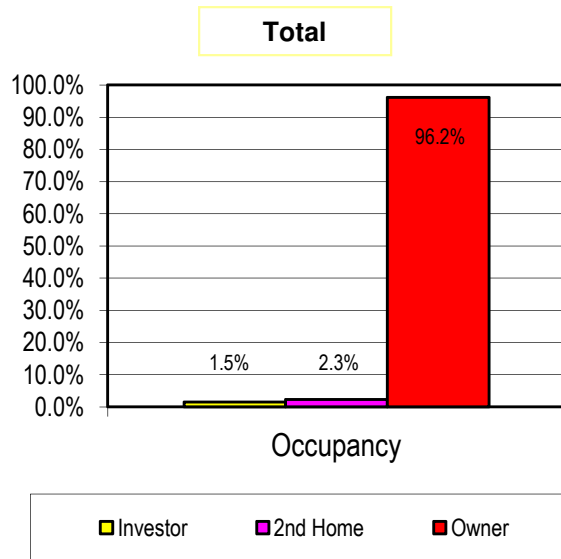
# Primary Risk in Force June 30, 2014



Note: Charts may not add to 100% due to rounding

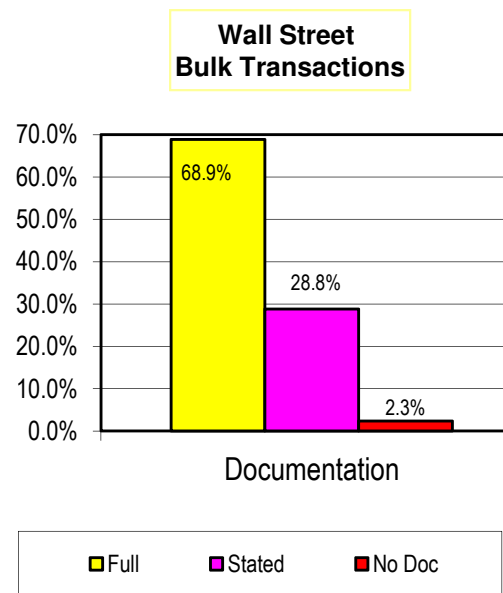
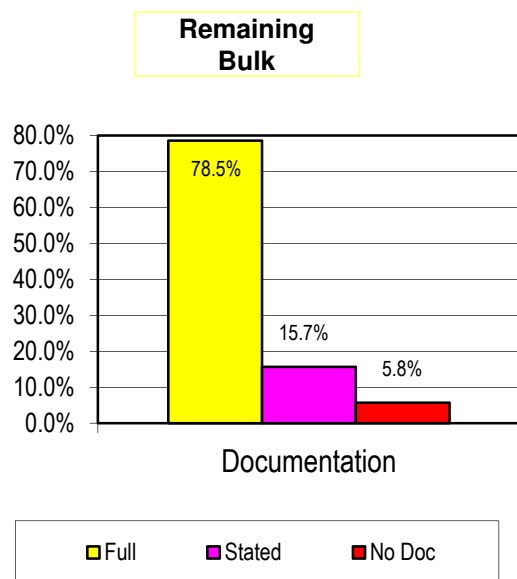
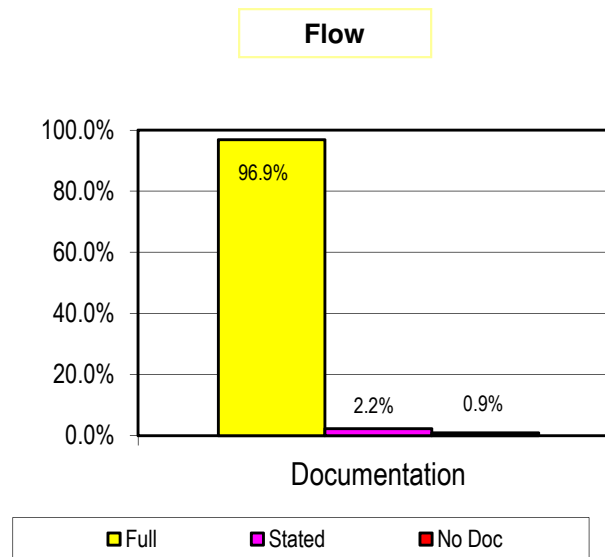
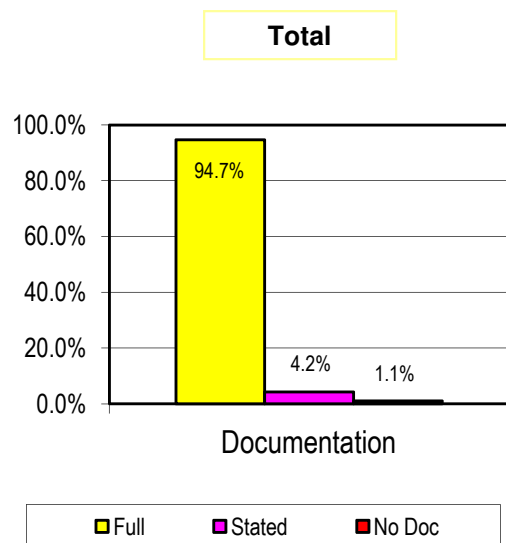


## Primary Risk in Force June 30, 2014



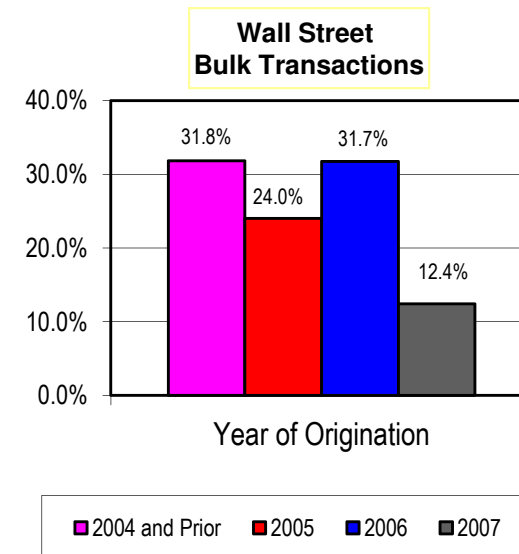
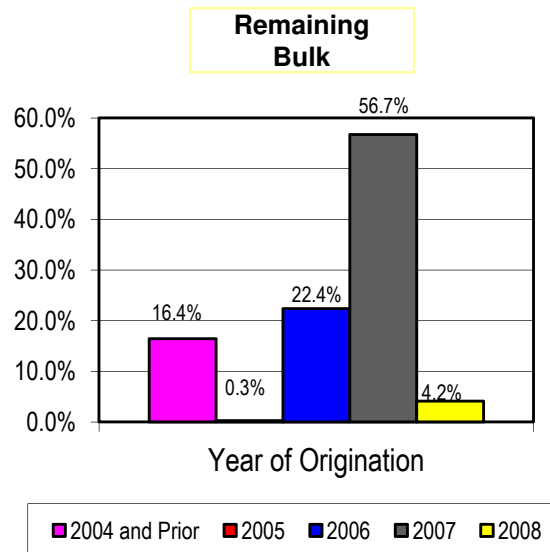
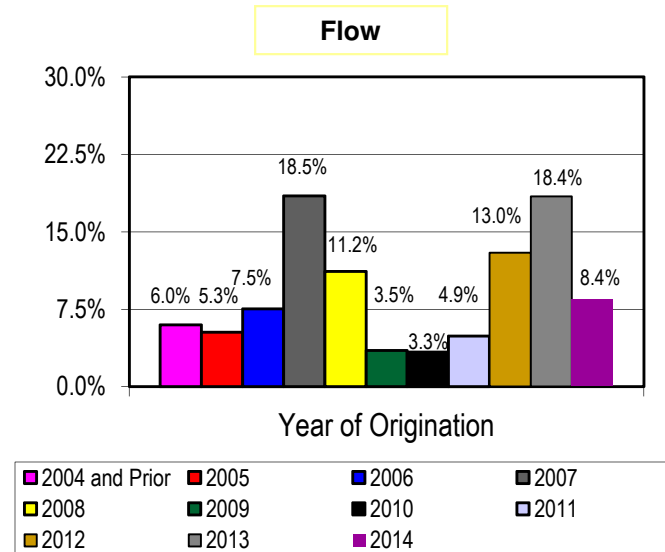
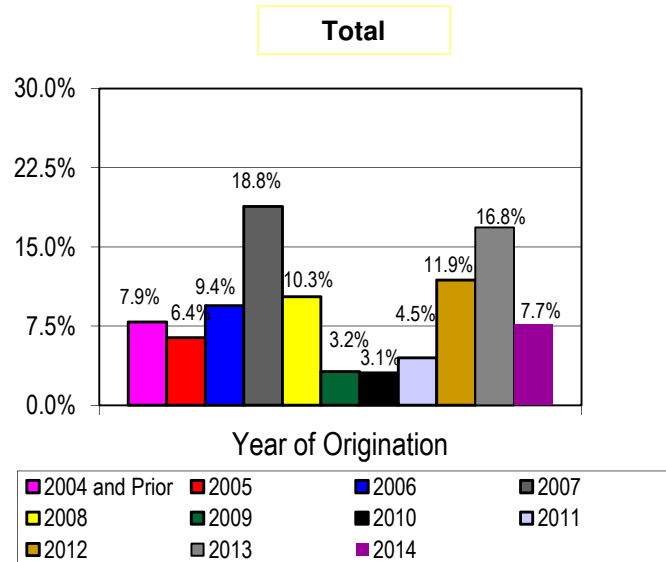
Note: Charts may not add to 100% due to rounding

## Primary Risk in Force June 30, 2014



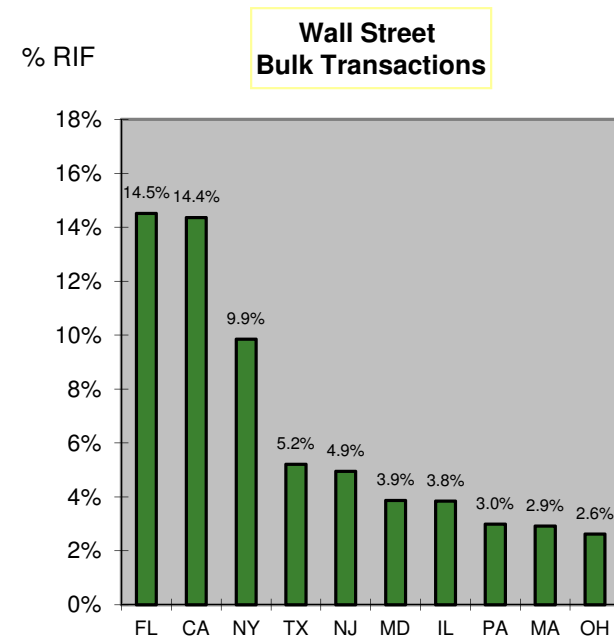
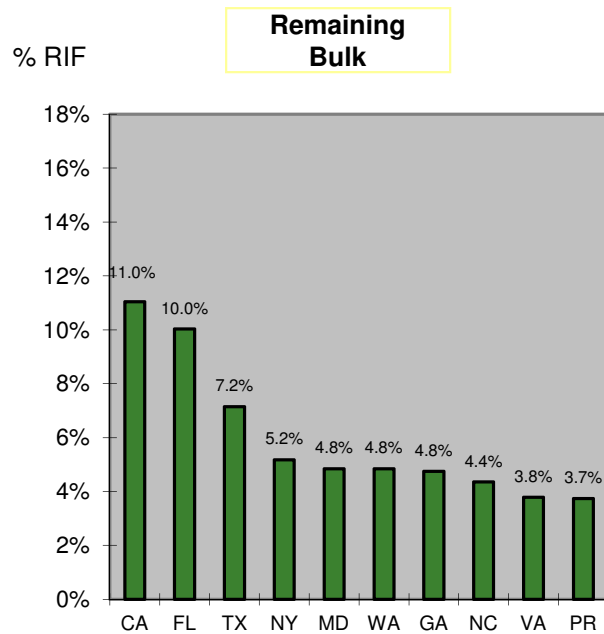
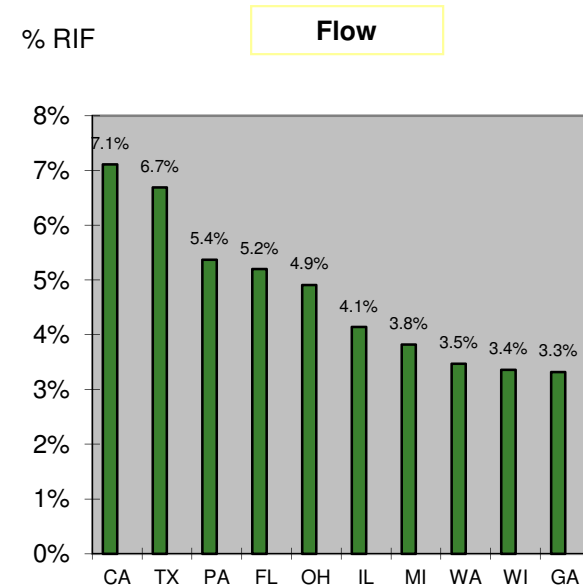
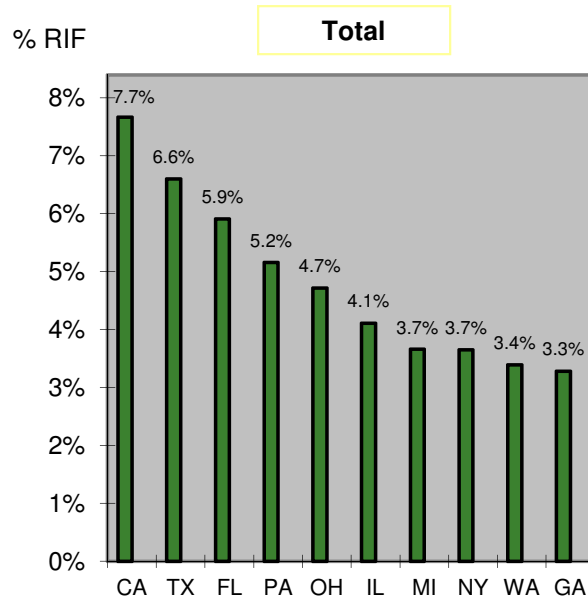
*Note: Charts may not add to 100% due to rounding. In accordance with industry practice, loans approved by GSE and other automated underwriting (AU) systems under "doc waiver" programs that do not require verification of borrower income are classified by MGIC as "full doc." Based in part on information provide by the GSEs, MGIC estimates full doc loans of this type were approximately 4% of 2007 NIW. Information for other periods is not available. MGIC understands these AU systems grant such doc waivers for loans they judge to have higher credit quality. MGIC also understands that the GSEs terminated their "doc waiver" programs in the second half of 2008.*

## Primary Risk in Force June 30, 2014



Note: Charts may not add to 100% due to rounding. Year of origination as displayed is determined by the calendar date the insurance was effective .

## Primary Risk in Force June 30, 2014



# Primary Risk in Force June 30, 2014

## FLOW

Origination Year	Original Risk Written (billions)	Remaining Risk in Force (billions)	% Remaining of Original Risk	% of Loans Delinquent	% of Loans Never Delinquent	Number of New Notices Received in Quarter	% of New Notices that were Previously Delq	> 90% LTV	> 97% LTV	% FRM	% < 620	% Reduced			
												Doc (1)	% Purchase	% CA	% FL
2004 and Prior	N/A	\$ 2.26	N/A	15.9%	53.1%	3,524	91.0%	76.2%	25.3%	92.9%	9.8%	6.5%	81.3%	2.3%	7.9%
2005	\$ 10.24	\$ 1.99	19.5%	13.7%	61.8%	1,823	84.7%	72.3%	34.0%	88.6%	6.6%	7.8%	82.1%	1.6%	10.8%
2006	\$ 10.14	\$ 2.85	28.1%	13.7%	60.6%	2,761	85.2%	70.7%	41.3%	86.2%	8.1%	9.4%	80.6%	1.9%	8.9%
2007	\$ 18.06	\$ 7.00	38.7%	13.8%	58.9%	5,878	84.8%	74.1%	45.2%	86.3%	7.9%	7.6%	78.7%	6.4%	7.1%
2008	\$ 10.49	\$ 4.23	40.3%	7.6%	75.7%	1,926	75.6%	60.0%	16.0%	92.5%	1.7%	1.8%	76.0%	10.7%	4.1%
2009	\$ 4.04	\$ 1.32	32.7%	2.0%	94.8%	222	52.3%	40.3%	0.1%	99.2%	0.0%	0.0%	64.2%	5.0%	1.3%
2010	\$ 3.05	\$ 1.26	41.5%	1.1%	97.3%	117	56.4%	50.3%	0.0%	99.6%	0.0%	0.0%	72.4%	4.3%	1.4%
2011	\$ 3.54	\$ 1.86	52.4%	0.6%	98.6%	99	48.5%	58.5%	0.0%	99.7%	0.0%	0.0%	77.2%	5.7%	1.9%
2012	\$ 6.10	\$ 4.91	80.4%	0.2%	99.4%	127	31.5%	60.6%	0.0%	99.8%	0.0%	0.0%	71.0%	9.0%	2.1%
2013	\$ 7.43	\$ 6.97	93.9%	0.1%	99.8%	131	16.0%	64.1%	0.0%	99.8%	0.0%	0.0%	80.7%	9.7%	4.1%
2014	\$ 3.22	\$ 3.20	99.3%	0.0%	100.0%	18	0.0%	66.7%	0.0%	99.6%	0.0%	0.0%	91.3%	9.6%	6.0%

(1) Refer to footnote on page 9

Percentages based on remaining risk in force except for delinquency statistics which are based on the number of remaining loans.

Year of origination as displayed is determined by the calendar date the insurance was effective.

# Primary Risk in Force June 30, 2014

## WALL STREET BULK TRANSACTIONS

Origination Year	Original Risk Written (billions)	Remaining Risk in Force (billions)	% Remaining of Original Risk	% of Loans Delinquent	% of Loans Never Delinquent	Number of New Notices Received in Quarter	% of New Notices that were Previously Delq	<= 80% LTV	> 90% LTV	% Equity Refinance	% Pay Option ARM	% Indexed ARM	% < 620	% CA	% FL
2004 and Prior	\$ 22.77	\$ 0.87	3.8%	23.3%	33.2%	1,950	93.7%	35.8%	12.1%	63.7%	0.0%	19.9%	41.7%	12.1%	8.3%
2005	\$ 5.82	\$ 0.66	11.3%	31.6%	22.5%	728	95.2%	20.3%	22.7%	67.4%	0.2%	22.4%	45.6%	15.4%	16.2%
2006	\$ 3.79	\$ 0.87	22.9%	39.9%	14.5%	780	93.6%	22.3%	30.6%	63.0%	4.6%	18.9%	49.3%	17.3%	18.5%
2007	\$ 0.92	\$ 0.34	37.0%	42.3%	20.5%	302	93.7%	18.5%	29.5%	70.2%	0.5%	19.9%	53.2%	10.5%	17.1%

## REMAINING BULK

Origination Year	Original Risk Written (billions)	Remaining Risk in Force (billions)	% Remaining of Original Risk	% of Loans Delinquent	% of Loans Never Delinquent	Number of New Notices Received in Quarter	% of New Notices that were Previously Delq	<= 80% LTV	> 90% LTV	% Equity Refinance	% Pay Option ARM	% Indexed ARM	% < 620	% CA	% FL
2004 and Prior	\$ 6.34	\$ 0.13	2.1%	20.7%	37.0%	370	91.9%	50.0%	11.7%	55.9%	0.0%	13.3%	38.3%	8.2%	7.0%
2005	\$ 0.70	\$ 0.00	0.3%	12.7%	54.0%	9	88.9%	0.0%	68.7%	8.2%	0.0%	47.7%	28.3%	4.7%	3.6%
2006	\$ 2.19	\$ 0.18	8.3%	17.1%	52.9%	151	76.8%	18.1%	56.6%	31.1%	0.0%	5.5%	22.7%	5.2%	11.9%
2007	\$ 1.10	\$ 0.46	42.2%	15.0%	58.7%	257	85.6%	0.7%	80.8%	11.8%	0.0%	1.5%	4.4%	15.0%	10.8%
2008	\$ 0.18	\$ 0.03	18.9%	5.1%	87.0%	5	80.0%	0.1%	82.7%	3.7%	0.0%	0.0%	3.3%	0.5%	1.8%

Percentages based on remaining risk in force except for delinquency statistics which are based on the number of remaining loans.

Year of origination as displayed is determined by the calendar date the insurance was effective.

# Delinquency and Claim Data

## Primary Insurance - Flow Only

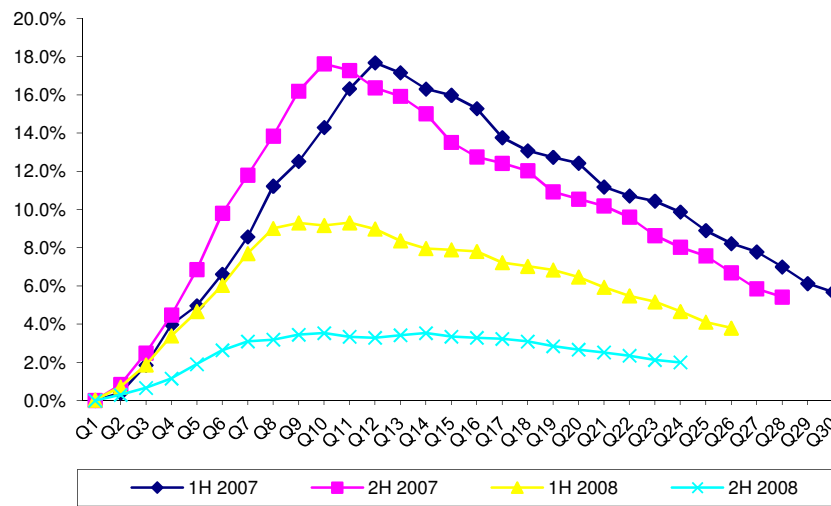
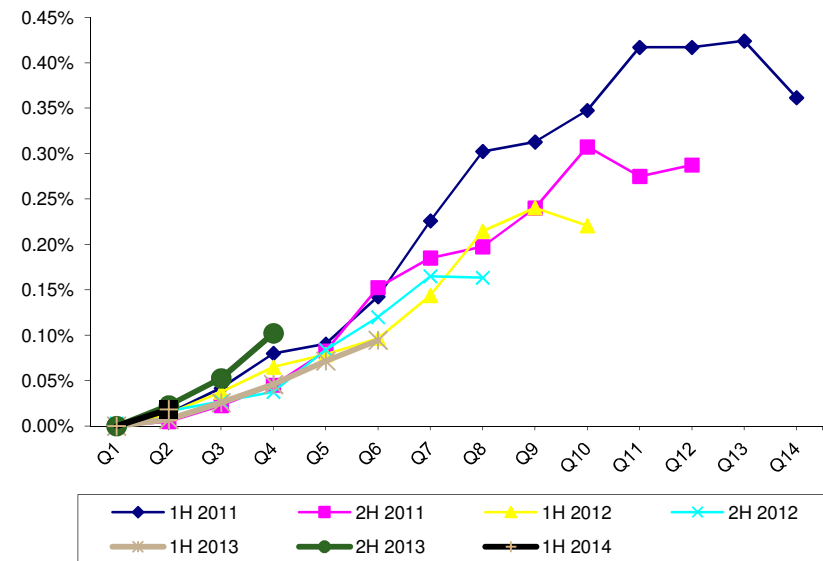
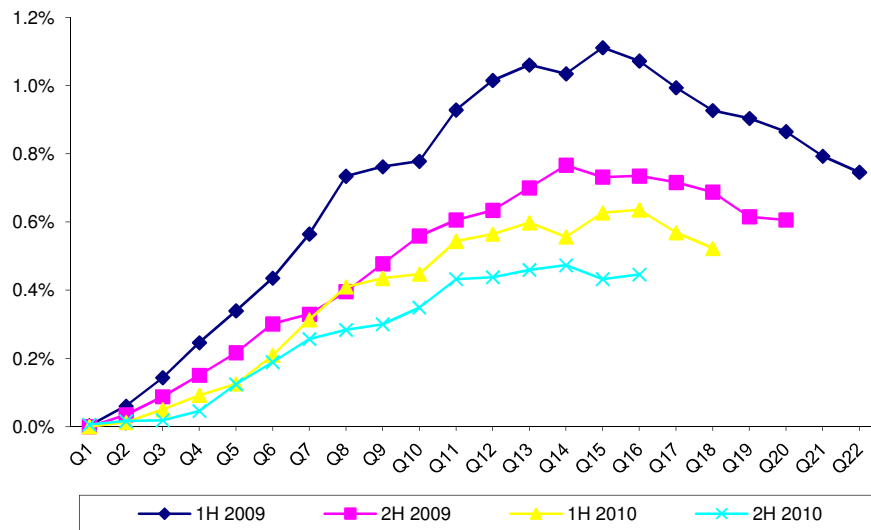
### June 30, 2014

	Delinquent Prime Loans	Delinquency Rate Prime Loans	Delinquent A Minus Loans	Delinquency Rate A Minus	Delinquent Sub-Prime Loans	Delinquency Rate Sub- Prime	Delinquent Reduced Documentation Loans (1)	Delinquency Rate Reduced Documentation Loans (1)	Number of Loans Where the FICO Score Was Not Reported	Delinquency Rate Where the FICO Score Was Not Reported	Total Flow Loans Delinquent	Total Flow Delinquency Rate	Ever to Date Paid Claims (millions)
2003 and Prior	6,039	15.48%	1,252	27.35%	351	31.48%	473	19.82%	151	6.96%	8,266	16.78%	N.M.
2004	3,679	12.69%	682	24.73%	142	32.79%	478	23.48%	73	13.15%	5,054	14.53%	\$ 801.9
2005	5,394	11.65%	808	22.56%	143	31.15%	1,083	29.15%	168	11.67%	7,596	13.69%	\$ 1,277.0
2006	7,099	11.17%	1,391	21.71%	349	33.46%	1,725	29.84%	189	12.70%	10,753	13.74%	\$ 1,819.3
2007	16,200	11.60%	3,830	26.15%	422	35.85%	2,317	23.90%	221	14.92%	22,990	13.80%	\$ 3,725.5
2008	6,329	7.00%	494	25.35%	13	26.53%	258	18.96%	26	9.92%	7,120	7.57%	\$ 870.8
2009	649	1.95%	-	0.00%	-	0.00%	-	0.00%	1	3.70%	650	1.95%	\$ 39.7
2010	290	1.07%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	290	1.07%	\$ 7.9
2011	219	0.56%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	219	0.56%	\$ 3.1
2012	221	0.23%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	221	0.23%	\$ 0.7
2013	138	0.10%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	138	0.10%	\$ -
2014	11	0.02%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	11	0.02%	\$ -
Total	46,268	5.81%	8,457	24.93%	1,420	33.21%	6,334	25.36%	829	11.11%	63,308	7.30%	

(1) Refer to footnote on page 9

# Flow Primary Risk in Force June 30, 2014

## Static Pool Delinquency Rates Based on Loan Count



Static Pool Delinquency Rates = (total number of delinquent loans at the end of the stated reporting period) / (original number of loans insured in the 6 month periods shown)



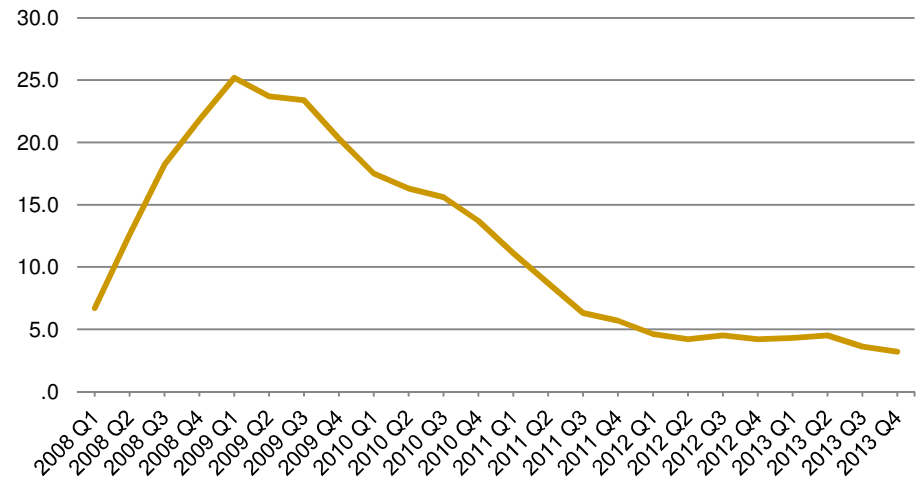
# Cumulative Rescission Rates by Quarter Claim Received

June 30, 2014

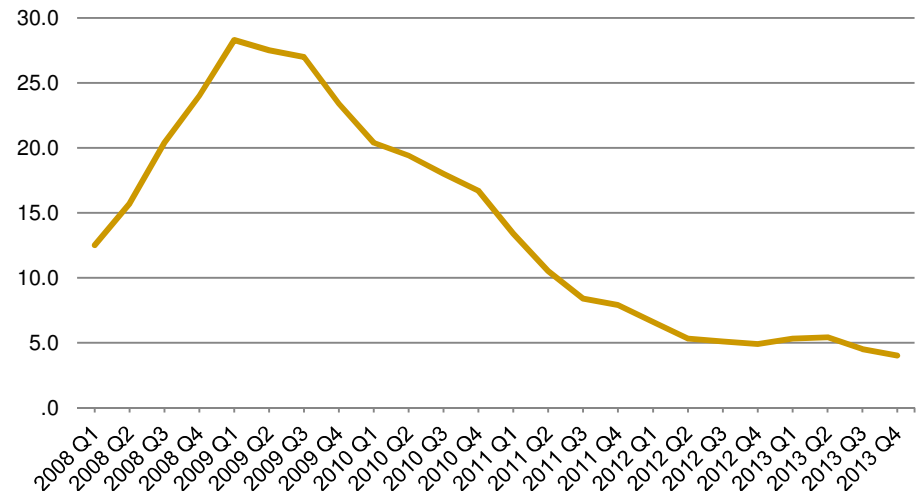
(Count Based)

	Claim Rec'd Qtr	Actual Rescission Rate	Claims Resolved %
BULK	2012 Q3	8.7	98.1
	2012 Q4	8.7	96.4
	2013 Q1	10.5	96.2
	2013 Q2	10.3	96.4
	2013 Q3	10.5	97.2
	2013 Q4	9.0	95.3
FLOW	2012 Q3	4.5	99.1
	2012 Q4	4.2	98.9
	2013 Q1	4.3	98.9
	2013 Q2	4.5	99.2
	2013 Q3	3.6	98.7
	2013 Q4	3.2	97.7
TOTAL	2012 Q3	5.1	98.9
	2012 Q4	4.9	98.5
	2013 Q1	5.3	98.5
	2013 Q2	5.4	98.8
	2013 Q3	4.5	98.5
	2013 Q4	4.0	97.4

Flow Rescissions as a % of Claims Received



Total Rescissions as a % of Claims Received



1) Rescission rates include claims that have been rescinded or denied that would have otherwise been charged to a deductible.

2) Rescission Rate = Number of Rescinded Claims / Total Number of Claims Received in the Quarter

# New Insurance Written Characteristics

Q2 2014

- 85% 700 and > credit score
  - Weighted Average FICO: 750
- 9.5% < 90% LTV
- 30.8% 90% LTV
- 58.0% 95% LTV
- 1.7% > 95 LTV
- 12.9% Single Premium