

# overview

This insurance is used as a guarantee for that portion of a mortgage that is above what a lending institution would normally be willing to finance based on the value for the property. This means that mortgage indemnity insurance allows you to borrow more than would be possible without such insurance and may reduce the amount of the down payment the lending institution would require based on the value of the property. In instances where the borrower stops paying their mortgage this policy will repay the lending institution the amount of the mortgage that remains unpaid which is above what the lending institution would have financed if there was no mortgage indemnity insurance.