



Lower Mortgage Insurance (PMI) Premiums with the HOME+PLUS Program

In addition to the down payment assistance provided, the HOME+PLUS program has a reduced mortgage insurance premium (PMI) rate when the new underlying first mortgage is a conventional mortgage (such as Fannie Mae HFA Preferred or Freddie Mac HFA Advantage), and the borrower's annual income is under the 80% of the area median income. These reduced mortgage insurance rates are exclusive to Housing Finance Agencies and are lower than mortgage insurance premiums on conventional mortgages outside of the HOME+PLUS program.

The following, *for illustration purposes only*, compares the HOME+PLUS Fannie Mae HFA Preferred Mortgage to a Fannie Mae 1st time homebuyer HomeReady Mortgage:

	FANNIE MAE 1 ST TIME HOMEBUYER HOMEREDY PROGRAM (NO DPA (\$) ASSISTANCE)	HOME+PLUS FANNIE MAE HFA PREFERRED WITH 0% (NO DPA (\$) ASSISTANCE)	HOME+PLUS FANNIE MAE HFA PREFERRED WITH 4% DOWN PAYMENT ASSISTANCE
Home Price	\$325,000	\$325,000	\$325,000
Loan-to-Value	97%	97%	97%
Mortgage Amount	\$315,250	\$315,250	\$315,250
Interest Rate	2.75%	2.75%	3.75%
Principle & Interest	\$1,284.04	\$1,284.04	\$1,411.89
Property Taxes	\$279.46	\$279.46	\$279.46
Hazard Insurance	\$80.22	\$80.22	\$80.22
Mortgage Insurance (MI)	\$239.06	\$207.54	\$207.54
Total Monthly Payment	\$1,882.78	\$1,851.26	\$2,022.64
		Difference vs Fannie Mae HomeReady Program	
		\$31.52 less per month	\$139.86 more per month
HOME+PLUS ASSISTANCE	No DPA Assistance	HOME+PLUS ASSISTANCE	\$12,610.00 DPA Assistance
	\$9,750.00 OUT OF POCKET		\$ ZERO OUT OF POCKET KEEP YOUR SAVINGS SAVED

Your Mortgage Lender can provide detailed break-downs of the total payments, including the mortgage insurance premium based on your specific circumstances. The mortgage insurance premium (at the reduced rate) can be paid monthly (this example shown here), in a single one-time payment, or a combination of the two... A portion up front and the difference paid monthly.

*interest rates as of 1/20/2021 (rates subject to change). MI based on 700 credit score and 43% DTI. For illustration purposes only.