



## Lower Mortgage Insurance Premiums with the **HOME Plus** Program

In addition to the down payment assistance provided, the HOME Plus program has a reduced mortgage insurance premium rate when the new underlying mortgage is a conventional mortgage (Fannie Mae **HFA** Preferred or Freddie Mac **HFA** Advantage). These reduced mortgage insurance rates are exclusive to **Housing Finance Agencies** and can be considerably 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 standard Fannie Mae HomeReady Mortgage:

<b>HOME Plus</b> - Fannie Mae HFA Preferred Mortgage (with 4% down payment assistance from HOME Plus)		Fannie Mae HomeReady Mortgage (homebuyer using their money for the down payment)
\$200,000	Purchase Price	\$200,000
97%	Loan-to-Value	97%
\$194,000	Mortgage amount	\$194,000
5.125%	Interest Rate *	4.50%
	Monthly Payment	
\$1,056.30	Principal & Interest	\$982.96
\$172.09	Property Taxes	\$172.09
\$49.37	Hazard Insurance	\$49.37
\$126.10	Mortgage Insurance (MI)	\$185.92
	TOTAL	
\$1,403.86	Monthly Mortgage Payment	\$1,390.34
+ \$13.52	difference	
\$7,760.00	<b>HOME Plus</b> down payment assistance	\$0.00
\$0.00	Homebuyer's money needed for down payment	\$6,000.00

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, in a single one-time payment or a combination of the two.

\*interest rates as of 4/28/2017 – for illustration purposes only