



Program Update

TO: Participating Lenders
FROM: NIFA Homeownership Team
DATE: March 20, 2020
SUBJECT: Update #20-09, New Mortgage Rates (increase for all programs)

Effective Date
 Friday, March 20, 2020
Effective Time
 8:00 p.m. Central Time

NIFA is announcing new mortgage rates for our Military Home, First Home Targeted, First Home and Homebuyer Assistance (HBA) Programs. The rate on the HBA second mortgage loan will remain at 1%.

The new mortgage rates listed below are effective for all loan reservations processed in Lender Online today at 8:00 p.m. Central Time. Due to the market volatility, NIFA’s mortgage rates will be reviewed on a daily basis and adjusted accordingly. Mortgage rates are subject to change without prior notice.

| Program Name | Government Rate | Conventional Rate | Origination/ Discount | Principal & Interest Factor |
|--|--|--|-----------------------|--|
| Military Home -VA, FHA and RD loans | 3.500 | NA | 0% + 0% | 3.500 – 4.490447 |
| First Home Targeted (target areas) -FHA, RD and conventional loans | 3.500 | 4.000 | 0% + 0% | 3.500 – 4.490447 4.000 – 4.774153 |
| First Home (non-target areas) -FHA, RD and conventional loans | 4.000 | 4.500 | 0% + 0% | 4.000 – 4.774153 4.500 – 5.066853 |
| Homebuyer Assistance (HBA) -FHA, VA, RD & conventional loans -Maximum 5% second amount -Second term of 120 months | 4.500 – 1 st rate 1.000 – 2 nd rate | 5.000 – 1 st rate 1.000 – 2 nd rate | 0% + 0% | 4.500 – 5.066853 5.000 – 5.368216 1.000 – 8.760412 |

NIFA rates are valid for 120 days from the loan reservation date. The Loan Delivery Schedule has tiered pricing for the Service Release Premium (“SRP”). Participating Lenders attain the maximum SRP when loans are delivered and purchased by U.S. Bank within 90 days of the loan reservation date. Loans are ineligible for purchase 120+ days from the loan reservation date.

An updated Information Sheet including rates, household income limits, purchase price limits and credit underwriting overlays is available on Lender Online and NIFA’s website.

If you have any questions, please let us know.

