



Program Update

TO: Participating Lenders
FROM: NIFA Homeownership Team
DATE: May 5, 2020
SUBJECT: Update #20-16, New Mortgage Rates (decrease)

Effective Date
 Wednesday, May 6, 2020
Effective Time
 8:00 a.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 on Wednesday, May 6, 2020. NIFA 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	3.125	NA	0% + 0%	3.125 – 4.283755
First Home Targeted (target areas) -FHA, RD and conventional loans	3.125	3.500	0% + 0%	3.125 – 4.283755 3.500 – 4.490447
First Home (non-target areas) -FHA, RD and conventional loans	3.375	3.750	0% + 0%	3.375 – 4.420962 3.750 – 4.631156
Homebuyer Assistance (HBA) -FHA, VA, RD & conventional loans -Maximum 5% second amount -Second term of 120 months	3.875 – 1 st rate 1.000 – 2 nd rate	4.250 – 1 st rate 1.000 – 2 nd rate	0% + 0%	3.875 – 4.702371 4.250 – 4.919399 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.

