

## For First-time and Repeat Homebuyers

# VHDA Fannie Mae (FNMA) HFA Preferred with Reduced Mortgage Insurance (MI)

Affordable financing for first-time and repeat homebuyers that offers many of the same affordability benefits as VHDA's Fannie Mae No MI product:

## Overview

- ▶ 3% minimum down payment.
- ▶ 640 minimum credit score.
- ▶ Maximum 45% debt-to-income ratio.
- ▶ 3% maximum seller concessions (6% if 10% or greater down payment).
- ▶ Maximum 97% loan-to-value (105% combined loan-to-value).
- ▶ Loans up to \$453,100 statewide.
- ▶ Maximum income limits apply. See [vhda.com/LoanLimits](http://vhda.com/LoanLimits).

## Benefits

- ▶ Available to first-time and repeat homebuyers.
- ▶ Available for purchase or limited cash-out refinance transactions.
- ▶ Fixed-rate 30-year term.
- ▶ Lowest conventional mortgage insurance payments.
- ▶ Eligible for Mortgage Credit Certificate (MCC).
- ▶ Flexible down payment sources – gifts, FNMA Community Seconds, VHDA DPA grant funds and VHDA Plus Second Mortgage.
- ▶ No down payment cap: 20% or more allowed with no mortgage insurance.

### Comparison of FHA vs Fannie Mae Reduced MI

	FHA	FNMA
Minimum Down Payment Required	3.50%	3.00%
Mortgage Insurance Rate	.85%	.59%*
MI Cancellation Point	Never**	78% LTV
Equity at Closing	1.75%	3.00%

APR will vary based on specific lender fees.

Rates and guidelines subject to change without notice.

\* Based on credit scores of 720 - 739.

Does not include monthly taxes, homeowners or flood insurance.

\*\* FHA requires mortgage insurance payments for 30 years when obtaining the maximum 96.50% financing.

The information contained herein (including but not limited to any description of VHDA and its lending programs and products, eligibility criteria, interest rates, fees and all other loan terms) is subject to change without notice.