

PROGRAM: MFA's Mortgage Saver, Mortgage Saver Plus, and Mortgage Saver Zero

AGENCY: The Mortgage Finance Authority

DESCRIPTION:

- MFA's Mortgage Saver Program offers below-market interest rates and/or closing cost assistance to first-time homebuyers. The program is also available to individuals who have not owned a home (including a manufactured home on a permanent foundation) in the last three years. A borrower may qualify for a Mortgage Saver, Mortgage Saver Zero or Mortgage Saver Plus funds based upon household income and family size as well as the sales price of the home.
- Mortgage loans available under the Mortgage Saver program include FHA, VA, and a variety of conventional loans, including the MyCommunity and Community Solutions Programs. Rural Housing Service (RHS) guaranteed, leveraged, or direct loans are also available as are loans on Native American trust lands.
- The Mortgage Saver Zero and Mortgage Saver Plus program save the borrower money because they are not required to pay an origination or loan discount fee at loan closing, leaving more money in the borrowers pocket. The Mortgage Saver Plus program also provides the borrower with a grant (that does not have to be repaid) to help reduce the need for up-front cash at closing.
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STRUCTURE:

- Mortgage Saver loans are thirty year fixed rate loans available below the "market" rate.
- Mortgage Saver Zero is close to even with the "market" rate, but has no origination fee or discount fee.
- Mortgage Saver Plus interest rate is slightly higher than the "market" rate, but has no origination fee or discount fee, and features a 3.0% (of the principle loan amount) down payment assistance grant that is "built into" the loan. The grant can be used towards down payment, closing costs, and "prepaid" expenses; it can also fund an interest rate reduction or reduce the principal loan balance.
- MFA has many second mortgage programs that could be available to buyers using Mortgage Saver/Zero programs to help reduce "up front" or "out of pocket" expenses.

QUALIFICATIONS/CRITERIA:

- To qualify, a professional MFA qualified lender will review the borrower's monthly income, expenses, employment situation, and credit report so that they can determine if the borrower is eligible for the Mortgage Saver/Zero/Plus programs. The lender will also determine the amount of down payment/closing cost assistance needed by the borrower and will recommend the appropriate second mortgage or grant program.
- All three of these programs are available through a statewide and on Indian Reservations network of participating lenders. <http://www.housingnm.org/lender/lender.asp>
- Gross annual household incomes may not exceed the following, unless the purchase is in a targeted area.

COUNTIES	by family size					
	1	2	3	4	5	6
All areas of the state	\$46,200	\$46,200	\$53,130	\$53,130	\$53,130	\$53,130
Albuquerque MSA (Bernalillo/Sandoval/Valencia)	\$53,200	\$53,200	\$61,180	\$61,180	\$61,180	\$61,180
Santa Fe MSA (Santa Fe/Los Alamos)	\$58,200	\$58,200	\$66,930	\$66,930	\$66,930	\$66,930

- Total home sales price may not exceed the limit below unless in a targeted areas.

MORTGAGE SAVER PRICE LIMITS*	
Area	Purchase Price Limits
Santa Fe	\$343,799
Los Alamos	\$286,875
All other counties	\$237,031

- The following are specifications about the targeted areas. The home sales price limits for federally targeted areas is \$286,875.

COUNTIES	by family size					
	1	2	3	4	5	6
All areas of the state	\$55,440	\$55,440	\$64,680	\$64,680	\$64,680	\$64,680
Bernalillo	\$63,480	\$63,480	\$74,480	\$74,480	\$74,480	\$74,480
Sandoval	\$63,480	\$63,480	\$74,480	\$74,480	\$74,480	\$74,480

- For more information contact one of the Homeownership Reps: MFA Main: (505)843-6880 or visit the website <http://www.housingnm.org/>