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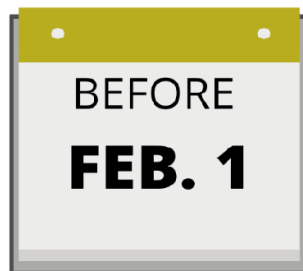


Dec. 26, 2019

## HFA Advantage Program Modifications

The Iowa Finance Authority is instituting changes to the HFA Advantage Program, per notification from Freddie Mac (FHLMC) that they will begin instituting fixed credit fees for certain loans delivered through the program. The product changes mirror those recently announced by Fannie Mae.

### Upcoming Changes Impacting Reservations



#### **MORTGAGE INSURANCE COVERAGE REQUIRED**

**FirstHome** : Charter level  
MI coverage is 18%

**FirstHome** :  
**Unchanged:** Borrowers with  
lender's qualifying income of  
less than 80% AMI

**Changed** : Borrowers with  
lender's qualifying income of  
more than 80% AMI:  
Standard MI coverage rates  
(35%) now apply

**Homes for lowans :**  
Charter Level Coverage is 18%

**Homes for lowans :**  
**Unchanged** : Borrowers with lender's qualifying income of less than 80% AMI

**Changed** : Borrower's with lender's qualifying income of more than 80% AMI: Loans no longer accepted

**INCOME ELIGIBILITY**

**FirstHome** :  
IFA household income limits

**FirstHome** :  
**Unchanged**

**Homes for lowans** :  
IFA household income limits

**Homes for lowans** :  
**Changed**: The maximum lender's qualifying income of borrowers choosing the HFA Advantage loan product may not exceed 80% AMI

**MANUFACTURED HOMES**

**FirstHome** :  
Not allowed

**FirstHome** :  
**Unchanged**

**Homes for lowans** :  
Not allowed

**Homes for lowans** :  
**Unchanged**

**NON-OCCUPYING  
CO-BORROWERS OR  
CO-SIGNERS**

**FirstHome** :  
Not allowed

**FirstHome** :  
**Unchanged**

**Homes for lowans** :  
Not allowed

**Homes for lowans** :  
**Unchanged**

**DOWN PAYMENT SUBSIDY**

**FirstHome** :  
\$1,500 for borrowers earning less than or equal to 80% AMI (i.e., low-income purchase borrowers)

**FirstHome** :  
**Discontinued**

\$2,500 for borrowers earning 50% AMI or less (i.e. very low-income purchase borrowers)

**Homes for lowans** :  
\$1,500 for borrowers earning less than or equal to 80% AMI (i.e., low-income purchase borrowers)

**Homes for lowans** :  
**Discontinued**

\$2,500 for borrowers  
earning 50% AMI or less  
(i.e. very low-income  
purchase borrowers)

## IMPORTANT DATES



**FEB. 1, 2020:**

Last day for reservations through the **current** FHLMC program.



**MARCH 31, 2020:**

Last day for Idaho to purchase through **current** FHLMC program.

Please contact the [IFA Single-Family team](#), with any questions: 800.432.7230.

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