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Special edition

HOMEOWNERSHIP PROGRAMS

PHFA continues to innovate by offering two new home mortgage products to benefit consumers

Always looking for ways to better serve its customers, PHFA is introducing two new conventional home mortgage products offering competitive interest rates and other valued features. Depending on the customer's situation, each product offers potential financial advantages.

The one mortgage product can save homebuyers money by not requiring private mortgage insurance (PMI). PHFA has teamed with Fannie Mae to make this product available, which makes it possible for the agency to eliminate the PMI requirement for qualified customers. PHFA will engage in a risk-sharing agreement with Fannie Mae and will evaluate borrowers to ensure sound lending decisions. The second mortgage product does require PMI, but for some consumers it may offer lower monthly payments.

Here are some other advantages of the new programs:

- Financing is available for up to 97 percent of a home's value.
- Customers don't have to be first-time homebuyers to qualify.
- Both programs offer down-payment and closing-cost assistance.
- Homeowners seeking refinancing may also qualify, which is something new from PHFA.
- PHFA will work with borrowers so that they make sound financial decisions. Ongoing counseling will be required, as well, to ensure that borrowers are managing their mortgage obligations.
- As with its other home mortgage offerings, all loans associated with these new mortgage products will be serviced by PHFA staff in Harrisburg for the life of the loan.

These two new PHFA mortgage programs will supplement, and not replace, the agency's government-insured and guaranteed loans, like those available through the FHA, VA and USDA. It's believed these new programs will be especially welcomed by smaller community banks that might not offer FHA mortgage products.

To learn more

Lenders, realtors and housing counselors are invited to explore related information posted on the PHFA Web site at www.phfa.org; please look under the blue tab for Homeownership Professionals.

Homebuyers can learn more by calling the agency's homeownership hotline at 1-800-822-1174 during normal business hours.

Tom Corbett, Governor • Brian A. Hudson Sr., Executive Director & CEO

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