

10-5-2007 NJHMFA Bulletin - New Products - 40 Year Term and Over 80% Income Limit

The NJHMFA has added two new products to our product menu. The products are the 1.) 40 year term, and the 2.) Over 80% Income Limit product. The 40 year product is part of the MRB program which in the past only offered a max of a 30 year term. The pricing is listed below:

Breakout of SF Loan Types

#	SF Loan Type	Rate Differential	Base Rate	Final Rat
1	30 year, under 80% income limit, no Smart Start	Base	6.125%	6.125%
2	30 year, under 80% income limit, with Smart Start	Base		6.125%
3	30 year, over 80% income limit, no Smart Start	Base		6.125%
4	30 year, over 80% income limit, with Smart Start	Base + 5/8%		6.750%
5	40 year, under 80% income limit, no Smart Start	Base + 1/8%		6.250%
6	40 year, under 80% income limit, with Smart Start	Base + 1/8%		6.250%
7	40 year, over 80% income limit, no Smart Start	Base + 1/8%		6.250%
8	40 year, over 80% income limit, with Smart Start	Base + 3/4%		6.875%

The Smart Start 2nd mortgage for the Over 80% Income Limit program is limited to 4 years with no interest rate. The traditional Smart Start (which is forgivable after 7 years) will continued to be used when the Under 80% Income Limit program is used. The Smart Start 4 Year Forgivable Note for the Over 80% Income Limit program is attached for your review.