

C. Buydowns

AHFC permits interest rate discounts or buydowns up to a maximum of 1.000%, subject to the following fee schedule:

INTEREST RATE	BUYDOWN FEE	
	15 YEAR	30 YEAR
0.125	0.875	0.875
0.250	1.750	1.750
0.375	2.625	2.625
0.500	3.500	3.500
0.625	4.500	4.500
0.750	5.500	5.500
0.875	6.500	6.500
1.000	7.500	7.500

Lenders should indicate the discounted rate on the Loan Summary Memorandum (Form MF-UND-5) at the time of loan submission or on the Purchase Voucher (Form MF-PUR-1) at the time of loan purchase.