

C. Buydowns

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

Interest Rate Buydown Amount	Buydown Fee	
	15 year	30 year
0.125	0.750%	0.875%
0.250	1.500%	1.750%
0.375	2.250%	2.625%
0.500	3.000%	3.500%
0.625	3.750%	4.375%
0.750	4.500%	5.250%
0.875	5.250%	6.125%
1.000	6.000%	7.000%

Lenders should indicate the discounted rate on the Loan Summary Memorandum ([Form MFUND-5](#)) at the time of loan submission or on the Purchase Voucher ([Form MFPUR-1](#)) at the time of loan purchase.