

U. S. Department of Housing and Urban Development



Homeownership Center
Program Support Division, 8AHHT

Region VIII, Denver
1670 Broadway Street, 23rd Floor
Denver, Colorado 80202-4801

Phone: 1-800-543-9378 x1021
Fax: 303-672-5084
Web: www.hud.gov

July 8, 2005

Minnesota Housing Finance Agency (MHFA)
400 Sibley St.
Suite 300
St. Paul, Minnesota 55101

Attn: Ms. Kim Stuart

Reference: MHFA Homeownership Assistance Fund Mortgage Program

Dear Ms. Stuart,

This letter serves as notice that the Department has previously approved the MHFA's Homeownership Assistance Fund Program, and our prior approval is still in effect. Additionally buyers can be qualified at the initial rate for MHFA's Homeownership Assistance Fund Program in conjunction with FHA-insured mortgages.

The Department has determined that MHFA's Homeownership Assistance Fund Program does not meet the definition of a buy-down program. Specifically, the issues addressed in the "Interest Rate Buydown Accounts" section of Mortgagee Letter 2004-28 pertain to Buydown programs, and are not applicable to your Homeownership Assistance Fund Program.

If you have any questions regarding this letter please call Mr. Gordon Ferris, Chief, Field Operations Branch, Program Support Division in HUD's Denver Homeownership Center at 1800-543-9378 extension 1975.

Sincerely,

A handwritten signature in cursive script, appearing to read "Irma Devich", written over a grey rectangular background.

Irma Devich
Director
Program Support Division