



**PLAN FOR AMERICA®**  
A Plan for the Rebirth of America

## **The Mechanics of the Pathway to Homeownership**

- 1. Provision in PFA contract allowing first time homebuyers to collateralize the value of their account for purposes of a downpayment.**
  - a. The money remains in the account, earning the market minus two with a guarantee of four.
  - b. If there is a default, then the PFA trust will give an interest free loan up to the full amount of the collateralized amount borrowed.
  - c. PFA will be protected by life insurance equal to the amount of the loan and that life insurance will be guaranteed issue, unisex and uni-age, and the annual premiums of the insurance will be added to the loan each year and the insurance amount will increase proportionately.
  
- 2. Amendment to PFA contract with Federal & State governments**
  - a. The amount in the individual's FAST account will not be deemed a taxable distribution under federal or state law.

***Plan For America***

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