

# The Mortgage Credit Certificate (MCC) Program

PRODUCT MATRIX: 2017

**Features:** Eligible first time homebuyers who receive the Mortgage Credit Certificate (MCC) can claim an annual tax credit of up to 50% of the mortgage interest they've paid for the applicable tax year up to \$2,000, depending on the loan amount.

Loan Amount	Applicable Credit Rate
Up to \$100,000	50%
\$100,001 - \$150,000	40%
\$150,001 - \$200,000	30%
\$200,001 +	20%

**Tax Benefit:** The tax credit does not expire as long as borrower occupies the primary residence and is paying mortgage interest. Borrowers receive a dollar for dollar credit with appropriate federal tax liability.

**Restriction with Bond First Mortgage Programs:**

The Mortgage Credit Certificate cannot be offered in conjunction with a bond first mortgage loan and cannot be offered with Florida Housing's FL First Government Loan Program. It can be paired with Florida Housing's FL HFA Preferred/Preferred Plus Conventional Loan Program and any other programs not funded via mortgage revenue bonds.

**First Time Homebuyer Requirement:** Borrower(s) must not have had an ownership interest in their primary residence for the past 3 years unless purchasing in a targeted area or they qualify under the Veteran's Exception.

**Co- Signers:** Co- signers are not permitted in Florida Housing's MCC Program.

**Homebuyer Education:** First Time Homebuyers, unless qualifying under a Veterans Exception or those who are exempt by purchasing a home in a Federally Designated Targeted Area as specified in the Lender Guide must complete a Program-approved pre-purchase homebuyer education if provided by a HUD approved counseling agency or a counseling agency designated by a unit of local government to provide homebuyer education on their behalf. Refer to [www.hud.gov](http://www.hud.gov) for a list of approved education providers by county.

Online HBE is permitted if provided by a HUD approved agency, a unit of local government that provides pre-purchase homebuyer education in FL, a mortgage insurance provider, or an Agency or GSE sponsored course.

*Certificates of Completion are acceptable for 2 years from date of completion.*

**Who Must Attend HBE:** All borrowers appearing on the warranty deed are required to attend HBE regardless of who is listed on the loan.

**Loan Type:** Conventional or Government allowed (Fannie Mae, Freddie Mac, FHA, USDA- RD, and VA.) Refer to Program Guideline for more information.

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**MCC Type:** MCCs are available for new home purchases and refinances of existing Florida Housing Mortgage Credit Certificates. Construction to permanent loans are not permitted.

**Term:** 30 year fixed only.

**Issuance Fee:** \$500 fee payable to Florida Housing Finance Corporation. Fee must be disclosed on loan estimate (LE).

**Occupancy:** Owner occupied only with borrower intent to occupy property within 60 days of closing.

**Property Type:** Attached/ detached dwellings, Duplex, Condominium, Planned Unit Development (PUD), Manufactured Housing and 1-4 units eligible but borrower(s) must occupy one of the units as their primary residence.

**Income Limits:** Limits determined by county. Please refer to the Program Guidelines for Income Limits. Limits are subject to change.

**Purchase Price Limits:** Limits determined by county. Please refer to the Program Guidelines for Purchase Price Limits. Limits are subject to change.

**Warranty Deed:** Parties appearing on the warranty deed must

- Occupy property as primary residence &
- Qualify as a First-Time Home Buyer &
- Income Qualify.

**Tax Returns:** Borrower and spouses past three years' tax returns must be collected even if spouse is not on the loan. Tax returns serve as confirmation of non-ownership. Tax returns or transcripts should not reflect mortgage interest or any credits claimed for homeownership. The only exemption to this requirement is if property is located in a targeted area or borrower satisfied the Veterans Exemptions.

**MCC Program Documents:** *(Available through online reservation system.)*

- **Notice to Buyer** (provided at application by loan officer.)
- **Recapture Notice** (informational, provided by loan officer at application with Notice to Buyer.)
- **Mortgagor Affidavit** (Provided at closing for execution by mortgagors.)
- **Seller Affidavit** (provided at closing for execution by sellers.)

*Florida Housing acts as an issuing agency for the Mortgage Credit Certificate. Pending receipt, review and approval of the post-closing compliance file, the borrower will receive a Mortgage Credit Certificate via mail along with instructions as to how to claim the credit.*

*Please reference the Florida Housing Lender Guide for additional information.*