

CHAPTER 67-54— MORTGAGE CREDIT CERTIFICATES PROGRAM

67-54.002 Definitions.

67-54.003 Notice of Program and Invitation and Application to Participate.

67-54.004 Program Documents.

67-54.005 Issuance of Certificates.

67-54.006 Loan Processing.

67-54.007 Eligible Borrowers.

67-54.008 Eligible Properties.

67-54.009 Reporting Requirements.

67-54.010 Fees.

67-54.002 – Definitions.

(1) “Acquisition Price” means the cost of acquiring a single-family residence from the seller as a completed residential unit.

(2) "Annualized Current Income" means the mortgagor's annualized current gross income. Annualized current gross income is current gross monthly income multiplied by twelve (12). Current gross monthly income is the sum of monthly gross pay; any additional income from overtime, part-time employment, bonuses, dividends, interest

royalties, pensions, Veterans Administration (VA) compensation, net rental income, etc.; and other income (such as alimony, child support, public assistance, sick pay, social security benefits, unemployment compensation, income received from trusts, and income received from business activities or investments.)

(3) "Applicant" means an individual or individuals who apply for a MCC

(4) "Certified Indebtedness Amount" means the amount of indebtedness that is incurred by the MCC Eligible Borrower to acquire a Principal Residence.

(5) "Code" means the Internal Revenue Code of 1986.

(6) "Conventional Mortgage Loan" means a Mortgage Loan other than an FHA Insured Mortgage Loan, USDA-RD Guaranteed Mortgage Loan, VA Guaranteed Mortgage Loan or HUD Section 184 Guaranteed Mortgage Loan, satisfying the requirements of Freddie Mac, Fannie Mae or a private mortgage insurance provider.

(7) "Corporation" means the Florida Housing Finance Corporation whose Tax Identification Number is 59-3451366.

(8) "Eligible Properties" means a residence located in Florida and is eligible for insurance under the FHA, VA, USDA, and Private Mortgage Insurance (PMI) guidelines.

(9) "Existing Home" means any residential dwelling which has been occupied and is not considered new construction.

(10) "FHA" means the Federal Housing Administration of the U.S. Department of Housing and Urban Development.

(11) "First Time Home Buyer" means eligible persons or families, except eligible persons or families acquiring a single-family residence in a MCC Targeted Area, who have not had an ownership interest in a principal single-family residence at any time during the

preceding 3-year period prior to the date the mortgage is executed, other than a construction period loan, a bridge loan or other similar temporary initial financing with a term generally not exceeding 24 months with respect to the single-family residence.

(12) "IRS" means Internal Revenue Service.

(13) "Issuer" means the Florida Housing Finance Corporation, a public politic authorized to issue bonds or MCC.

(14) "Maximum Acquisition Price" means the maximum purchase price of a Single Family Residence, as prescribed in the IRS Revenue Procedures 2004-24, hereby incorporated by reference. The Maximum Acquisition Price Limits, "2004 Single Family Mortgage Revenue Bond Program Sales Price Limits," (09/14/04) are hereby incorporated by reference. Copies of these documents may be obtained by contacting the Single Family Bonds Program Administrator at 227 North Bronough Street, Suite 5000, Tallahassee, FL 32301-1329.

(15) "Maximum Annual Family Income" means, with respect to Mortgage Loans originated on new and existing Single Family Residences, the annual family income may not exceed 115% (or 140% in MCC Targeted Areas) of the state or local median income, whichever is greater as required by federal law.

(16) "MCC" means Mortgage Credit Certificate, which shall not exceed 50% of the Eligible Person's annual mortgage interest paid, not to exceed \$2,000.

(17) "MCC Eligible Borrower" means a person or persons or family or families:

(a) Whose total annual family income does not exceed the appropriate maximum annual family income established by the Corporation under the Single-Family Mortgage Revenue Bond program; and

(b) To the extent required by federal law with respect to each person who purchases a single-family residence not located within a MCC Targeted Area, each such person who is executing the mortgage is a First Time Home Buyer.

(18) “MCC Participating Lender” means any commercial bank, savings and loans association, savings bank, credit union, mortgage company or other lender lawfully able to transact business in the State of Florida and who enters into a Lender Participation Agreement with the Issuer to participate in the MCC Program.

(19) “MCC Program” means Florida Housing’s MCC Program established as a qualified mortgage credit certificate program within the meaning of Section 25 of the Code.

(20) “MCC Targeted Area” means a census tract in which 70% or more of the households have an income which is 80% or less of the statewide median family income. Borrowers purchasing home in these areas are not subject to the prior home ownership restriction. A copy of the listing of such areas can be obtained by contacting the Single Family Bonds Program Administrator at 227 North Bronough Street, Suite 5000, Tallahassee, FL 32301-1329.

(21) “New Construction” means a residential dwelling unit which has not previously been occupied.

(22) “Origination Agreement” means an agreement describing the mortgage originator’s rights and responsibilities made between the Corporation and MCC Participating Lenders.

(23) “Origination Guide” means the guide which sets forth the parameters for the MCC Program.

(24) “Principal Residence” means housing that the MCC Eligible Borrower will occupy as a primary residence and that will not have more than 15% of the square footage used in a trade or business, or that will not be used as investment property.

(25) “VA” means the Department of Veterans Affairs, an agency of the United States of America.

Specific Authority 420.507 (12), (24) FS.

Law Implemented 420.5099 FS.

History — New _____

67-54.003 — Notice of Program and Invitation and Application to Participate.

(1) The Corporation shall publish a notice in the Florida Administrative Weekly and local newspapers announcing its intention to issue MCC and inviting potential MCC Participating Lenders to submit offers to originate to the Corporation at least 90 days prior to selection.

(2) Invitations to Participate are hereby incorporated by reference. Copies may be obtained by contacting the Single Family Bonds Administrator at 227 North Bronough Street, Suite 5000, Tallahassee, FL 32301-1397 or visiting www.floridahousing.org.

Specific Authority 420.507 (12) FS.

Law Implemented 420.5099 FS.

History — New _____

67-54.004 — Program Documents.

The following program documents will identify the respective roles of the Corporation, the MCC Participating Lender, and the MCC Eligible Borrower:

(1) Origination Agreement. The Origination Agreement is hereby incorporated by reference. A copy of this document may be obtained by contacting the Single Family Bonds Administrator at 227 North Bronough Street, Suite 5000, Tallahassee, FL 32301-1397; and

(2) Origination Guide. The Origination Guide is hereby incorporated by reference. A copy of this document may be obtained by contacting the Single Family Bonds Administrator at 227 North Bronough Street, Suite 5000, Tallahassee, FL 32301-1397.

Specific Authority 420.507 (12) FS.

Law Implemented 420.5099 FS.

History — New _____

67-54.005 – Issuance of Certificates.

(1) The Corporation shall determine when MCC shall be made available statewide for MCC Eligible Borrowers. The Corporation shall review all offers to originate and designate those lenders that shall originate MCC. MCC Participating Lenders will be notified of their acceptance via the Notice of Acceptance.

(2) Twenty percent (20%) of the allocation shall be reserved for at least 1 year after the date on which the certificates are first made available with respect to MCC Targeted Area residences.

Specific Authority 159.81 FS.

Law Implemented 420.5099 FS.

History — New _____

67-54.006 – Loan Processing.

(1) Any financing provided from the proceeds of a qualified mortgage revenue bond is prohibited.

(2) All applicants for MCC are processed by the MCC Participating Lenders in accordance with the Conventional Mortgage Loan standard underwriting criteria. The closed loan documents shall be presented to the Corporation or its designee for compliance review and issuance of a mortgage credit certificate pursuant to guidelines set forth in the Origination Guide.

Specific Authority 420.507 (12) FS.

Law Implemented 420.5099 FS.

History — New _____

67-54.007 – Eligible Borrowers.

MCC Eligible Borrowers under MCC program:

(1) Must possess an ownership interest and occupy the residence as a principal residence within sixty days after loan closing. The Eligible Borrower must notify the MCC Participating Lender and the Corporation if he/she ceases to occupy the property as the primary residence. At that time, the MCC will be revoked and the Eligible Borrower must stop using the MCC Credit;

(2) Must not have owned a principal, including a mobile home (whether or not on a permanent foundation), located within or outside the State of Florida during the three-

year period ending on the date the mortgage is executed, unless the residence is being purchased in a MCC Targeted Area;

(3) Must meet household income limits for the MCC Program. MCC Participating Lenders must calculate income by using the procedures outlined in the Origination Guide.

Specific Authority 420.507 (12) FS.

Law Implemented 420.5099 FS.

History — New _____

67-54.008 – Eligible Properties.

(1) The residence must be located in the State of Florida and must be eligible for insurance under the FHA, VA, USDA, Conventional and MI Insurer.

(2) The property must be a single family detached house, condominium or townhouse or a manufactured home eligible for FHA, VA, USDA, Conventional or PMI insurer mortgage insurance under a land-home transaction; 30 year amortization, fixed to a permanent foundation.

(3) No more than 15% of the total area of the principal residence can be used for the principal place of business for, or in connection with, any trade or business on an exclusive and regular basis.

(4) The Acquisition Price may not exceed the limits prescribed in the Origination Guide

(1) Manufactured homes shall have a minimum of 400 square feet of living space and a minimum width in excess of 102 inches.

Specific Authority 420.507 (12) FS.

Law Implemented 420.5099 FS.

History — New _____

67-54.009 Reporting Requirements. The Corporation shall report the following information to MCC Participating Lenders and the IRS as prescribed in IRC Section 25:

- (1) The name, address, and social security number of the MCC Eligible Borrower; and
- (2) The certificate's issuer, date of issuer, Certified Indebtedness Amount, and certificate credit rate.

Specific Authority 420.507 (12), (24) FS.

Law Implemented 420.5099 FS.

History — New _____

67-54.010 Fees.

(1) In connection with the origination of a MCC, the Corporation shall collect from the MCC Eligible Borrower a reservation fee, payable at the time of application as identified in the Origination Guide. A copy of this document may be obtained by contacting the Single Family Bonds Administrator at 227 North Bronough Street, Suite 5000, Tallahassee, FL 32301-1397.

Specific Authority 420.507(12), 420.507(24), 420.507(4)

Law Implemented 420.5099 FS.

History — New _____