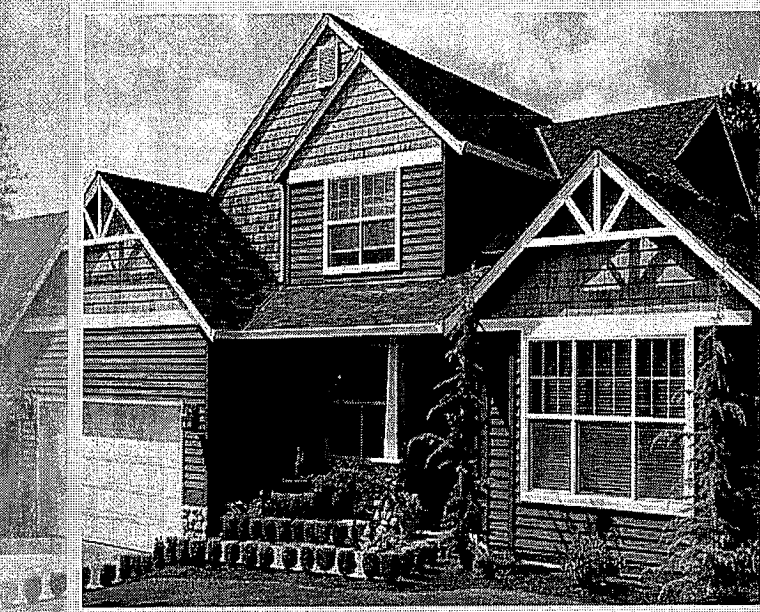




# BUY A HOME AND PUT MONEY BACK IN YOUR POCKET



## ? Who can apply?\*

- You may qualify for the program if:
  - You are purchasing your first home.
  - You have not owned a home during the past three years.
  - Your annual household income does not exceed the program income limits.
  - The home's purchase price does not exceed the maximum allowed purchase price limits.
  - You will occupy the home as your primary residence.

## ? What is an MCC? How does it benefit someone who is purchasing a home?

A Mortgage Credit Certificate (MCC) reduces the amount of Federal income tax you pay, giving you more available income to qualify for a mortgage loan.

their ability to qualify for the mortgage loan itself.

The new homeowner can claim the MCC tax credit every year, for as

long as they occupy the home purchased as their primary residence and pay mortgage interest, up to the term of the original mortgage loan.

An MCC allows the homebuyer to claim a tax credit for a portion of the mortgage interest paid annually. It is a dollar-for-dollar reduction against their federal tax liability\*.

The tax credit provided by the MCC is also used to calculate the amount of disposable income available to purchase a home. In this manner, eligible homebuyers can increase

| Value of an MCC Tax Credit Combined with a Tax Deduction* |                  |                                  |
|---|------------------|----------------------------------|
| <i>For example purposes only</i>                          | W/MCC TAX CREDIT | W/O MCC TAX CREDIT TAX DEDUCTION |
| Total Income (married, joint filing)                      | \$60,000         | \$60,000                         |
| Itemized Interest   | (7,800)          | (9,000)                          |
| Exemptions (2)  | (6,200)          | (6,200)                          |
| <b>Total Taxable Income</b>                               | <b>\$46,000</b>  | <b>\$44,800</b>                  |
| Federal Income Tax Liability                              | \$6,118          | \$5,959                          |
| MCC Credit (20%)  | (1,800)          | (0)                              |
| <b>Taxes Paid</b>   | <b>\$4,300</b>   | <b>\$5,959</b>                   |

Example is based on a \$200,000 mortgage x 4.5% interest rate = \$9,000 annual interest; \$9,000 times 20% MCC Credit = \$1,800. This illustration is simplified for example purposes only. Actual figures may vary and many other considerations may impact actual tax debt\*.

## ? How to apply?

Your MCC Approved Lender will help you determine if you qualify, and help you submit your MCC application when you apply for your mortgage loan. Call us today.

CRHMFA Homebuyers Fund (CHF)  
1215 K Street, Suite 1650  
Sacramento, CA 95814  
(855) 740-8422



[www.chffloan.org](http://www.chffloan.org)



\*This brochure contains general program information and is not intended as legal or tax advice. Homebuyers are encouraged to consult with a tax advisor regarding the impact of an MCC on their individual tax liability. Your MCC Approved Lender can provide you with information about "Targeted Areas" as well as program income and purchase price limits. CRHMFA Homebuyers Fund (CHF) is a government sponsored joint powers authority that offers loan programs to assist potential homebuyers in purchasing a home. This advertisement contains MCC Program highlights only. This is not an extension of credit or a commitment to lend and is subject to change without notice. Please see the CHF MCC participating lenders listed on the CHF website, [www.chffloan.org](http://www.chffloan.org) for all applicable guidelines and applications. Homebuyers are also encouraged to consult with their tax advisor regarding the impact of an MCC on their individual tax liability. Updated 061312

MCC PROGRAM

Issued by  
CRHMFA Homebuyers Fund (CHF)

SEND APPLICATIONS TO:

Program Administrator  
National Homebuyers Fund, Inc.  
1215 K Street, Suite 1650  
Sacramento, CA 95814  
Phone: 866-643-4968 Fax: 916-444-3551  
Email: [admin@nhfloan.org](mailto:admin@nhfloan.org)



## CHF MCC Program Overview

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|--|--|--|
| <b>Program Sponsor:</b><br>CRHMFA Homebuyers Fund<br>1215 K Street, Suite 1650<br>Sacramento, CA 95814 | <b>Program Administrator:</b><br>National Homebuyers Fund, Inc.<br>1215 K Street, Suite 1650<br>Sacramento, CA 95814<br>(866) 643-4968 phone<br>(916) 444-3551 fax<br><a href="mailto:admin@nhfloan.org">admin@nhfloan.org</a>   | <b>Program Start:</b> 01/03/2011<br><b>Program End:</b> 12/31/2012 |
| <b>MCC Funds Available (First Mortgages)</b>   | \$67,084,833   |  |
| <b>MCC Tax Credit Amount</b>   | 20% of annual mortgage interest paid   |  |
| <b>Eligible Loan Area</b>  | See CHF 2010 Counties List   |  |
| <b>Targeted Area Census Tracts</b>   | See CHF 2010 Targeted Area Census Tracts List  |  |
| <b>Transaction Type</b>  | Purchase transactions only; no refinance transactions  |  |
| <b>Eligible Mortgages</b>  | FHA, VA, USDA-RHS, Fannie Mae or Freddie Mac<br>Fixed-rate or adjustable-rate  |  |
| <b>Eligible Properties</b>   | Single-family, detached or condominiums, half-plexes, townhouses, manufactured homes. 2-4 unit properties as long as one unit is occupied by the homebuyer.<br><i>(Restrictions apply; see Program Manual)</i>   |  |
| <b>Residency Requirement</b>   | Primary residence only   |  |
| <b>Purchase Price Limits</b>   | See CHF 2010 Counties List – Purchase Price Limits   |  |
| <b>Homebuyer Eligibility</b>   | Persons who have not owned a "principal residence" within the past three (3) years. Requirement waived in designated Targeted Areas.   |  |
| <b>Income Limits – Based on Household Income</b>   | See CHF 2010 Approved Counties List – Income Limits  |  |
| <b>Federal Recapture Tax</b>   | If the buyer sells or otherwise disposes of the home during the nine (9) years from the Loan Closing date, buyer may be subject to a Federal Recapture Tax.<br>Several conditions can exempt the MCC holder from the Recapture Tax. The tax is based on a calculation that considers the gain, if any, on the sale of the home, the number of years that pass before the home is sold, the median family income for the buyer's area and the buyer's adjusted gross income at the time the home is sold. See Program Manual for details. |  |
| <b>MCC Application Fee</b>   | Application Fee: \$350.00<br>Non-refundable; may be paid by Borrower, Lender or Seller.  |  |
| <b>Other Program Fees</b><br><i>If applicable</i>  | Late Submission Fee: \$100.00<br>Assumption Fee: \$350.00<br>Re-issuance Fee: \$250.00   |  |

*Additional guidelines apply. See Program Manual for complete guidelines.*