

Mortgage Credit Certificate Program Description and Guidelines

Program Objectives	<p>Provide assistance for "first time" homebuyers with incomes at or below 140% AMI to purchase one-unit family homes.</p> <p>Increase homeownership for Low to Moderate Income homebuyers.</p>
Eligible Activity	Homeowner Tax Credit
Loan Purpose	Homeownership
Approved Lenders	Lenders that have completed MCC training.
Lender Requirements	<p>Lenders will register the mortgage credit certificate in LHC's reservation system using the LHC MCC Program.</p> <p>A full compliance package must be submitted to LHC for review and approval prior to closing.</p>
Deadlines	<p>Closed loan delivered to LHC - 60 days Issuance - 90 days</p> <p>Extensions are available for 30 days</p>
Fees	<p>Compliance Fee - \$75 Origination Fee - 1% Reissuance Fee - \$125 Assumption Fee - \$325 Resubmission Fee - \$25 Extension Fee - \$25</p> <p>All fees must be disclosed on the Lending Disclosure & Closing Disclosure for the first mortgage.</p>
Lender Compensation	<p>The Lender is not allowed to charge origination or discount points. They are allowed to charge other fees that are deemed reasonable and customary.</p> <p>The Lender is allowed to charge \$500 Lender Application Fee.</p>
Maximum Purchase Price	The Maximum Permissible Purchase Price shall not exceed the FHA loan limits.

Mortgage Rate of First Mortgage Loan	Open to any first mortgage loan that is not a bond loan.
Mortgage Credit Certificate Assistance	Up to \$2000 per year
First Mortgage Loan Type	FHA, VA, RD, Fannie Mae, or Freddie Mac first mortgage loan product.
Term	Life of first mortgage or a max of 30 years
Household Income Limits	115% AMI - Non Targeted 140% AMI - Targeted
Eligible Borrowers	<p>First-time homebuyers with annual household incomes at or below 140% Area Median Income (per Metropolitan Statistical Area Data) who are purchasing a qualified, principal residence. A first-time homebuyer is an individual who meets any one of the following criteria:</p> <p>An individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property. This includes a spouse (if either meets the above test, they are considered first-time homebuyers).</p> <p>A single parent who has only owned with a former spouse while married.</p> <p>An individual who is a displaced homemaker and has only owned with a spouse.</p> <p>Targeted areas as defined by HUD.</p>
Eligible Parishes	All parishes.
Eligible Property Types	<p>One Unit Primary Residence, Townhouses, Condos, Manufactured</p> <p>Manufactured Requirements</p> <p>Double wide or greater</p> <p>Built after 1978</p> <p>Titled as Real Estate</p> <p>Permanently affixed</p> <p>FHA only</p>
Ineligible Property Types	Duplexes, Single Wide Mobile Homes, Vacation / Second Homes, Mobile / Recreational, Timeshares
Number of Units	1
Non-Arm's Length Transactions	Follow Loan Product Guidelines

Documents Required to Reserve Funds	Borrower must present a legally binding purchase agreement with application for funds when applying for assistance under the program. Properties must be essentially "move in" ready when the purchase agreement is executed. Application date is based on the date that a complete application is received by an LHC approved lender. Lenders will reserve the MCC funds in LHC's reservation system. All applicants will be served on a "first come, first served" basis.
Program Administrator and Compliance	Louisiana Housing Corporation 2415 Quail Drive Baton Rouge, LA 70808 Attention: Single Family
Employment / Income Verification	Verification of Employment for 2 years, Paystub within 30 days
Assumptions	Allowed
Physical Standard / Inspections	All properties must meet Parish Building Code requirements, Zoning Code requirements and the physical standards and inspection procedures of the FHA, VA, RD, Fannie Mae, or Freddie Mac mortgage loan product associated with the First Mortgage Loan.
Occupancy Requirements and Hardship	Program recipients must occupy the purchased unit as their principal residence for the life of the MCC.
Co-Signers / Non-Occupant Co-Borrowers	Co-signers and Non-occupant Co-Borrowers are allowed. FHA only.
Legal	LHC will issue the Mortgage Credit Certificate to the borrower after Post Closing is completed.
Documents	The lender will package and submit the post close package to LHC.