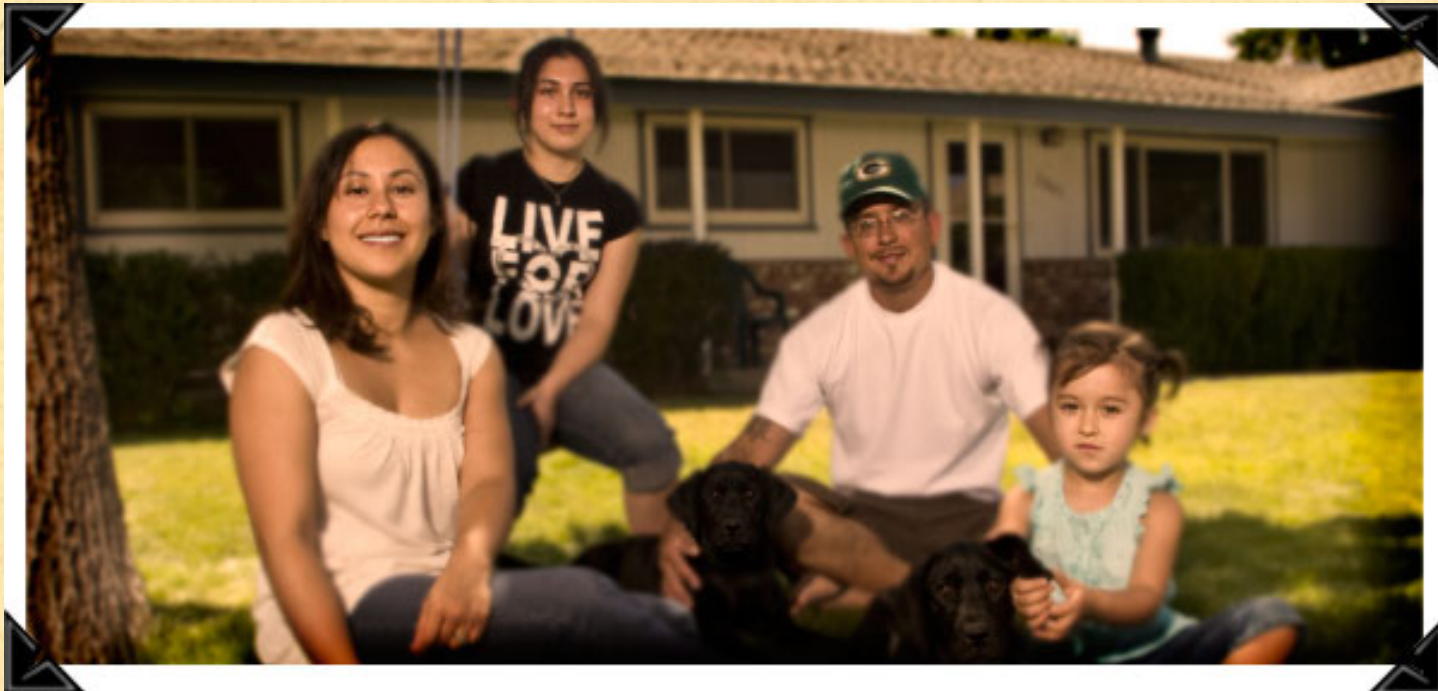




Home At Last!

Mortgage Credit
Certificate Program





MCC Program



- Mortgage Credit Certificate is a tax credit that will reduce the federal income of qualified buyers.
- Has the effect of reducing mortgage payments.



Program Impact

Interest Rate 6%

MCC Savings 1.8%

Net Cost 4.2%

*Monthly Payment on \$100,000 Loan = \$600 less
monthly savings of \$150 equals net cost of \$450*



Eligibility

- First-time Home buyer or Qualified Veteran
- Washoe County Income Limits
 - 2 or fewer persons \$83,400
 - 3 or more persons \$97,300
- Purchase Price Limit of \$429,619
- Cities/Towns less than 100,000 population



Application

- Participating Lenders
 - Wells Fargo, Countrywide, DHI Mortgage, UAMC, Mann Mortgage, Neighbors Financial, Guild Mortgage, Colonial Mortgage and more to come!
- \$75 Lender Application Fee





Types of Mortgages



- Conventional
- FHA
- VA
- RHS
- Bond Loans not allowed



Amt of Credit

- 30% credit for loans at \$190,000 or less
- 20% credit for loans more than \$190,000





Example

- \$200,000 loan at 5.5% interest
- Estimated annual interest \$11,000
- Tax Credit **20%** of mortgage interest

***Savings – Approximately \$183/month
or \$2,200 per year***



Example

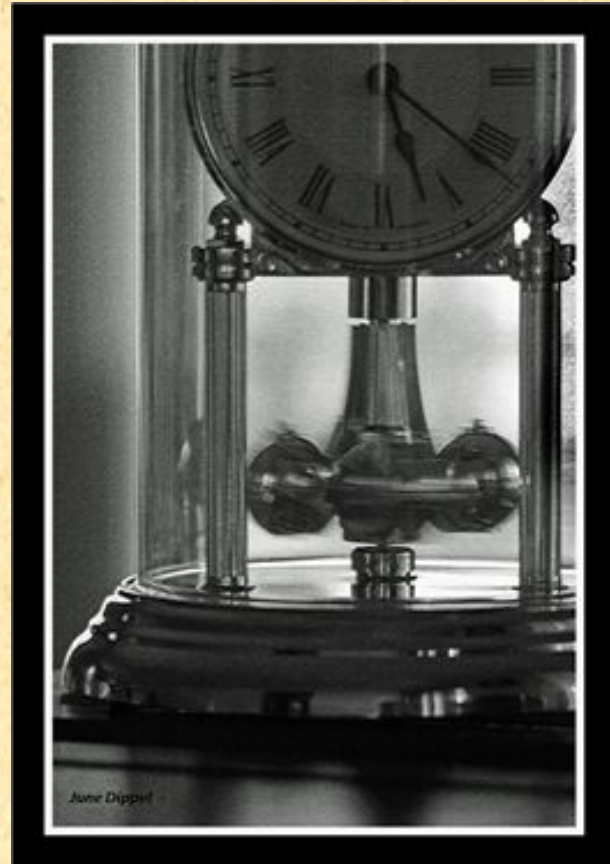
- \$120,000 loan at 5.5% interest
- Estimated annual interest \$6,600
- Tax Credit **30%** of mortgage interest

***Savings – Approximately \$165/month
or \$1,980 per year***



Length of Benefit

- MCC in effect for life of mortgage
- Can be reissued for refinanced loan





Tax Difference



- MCC is “dollar for dollar” reduction
- Easy to claim on a one page tax form 8821
- Itemized mortgage interest is subject to tax bracket – i.e. 15 cents on the dollar



Funds Available

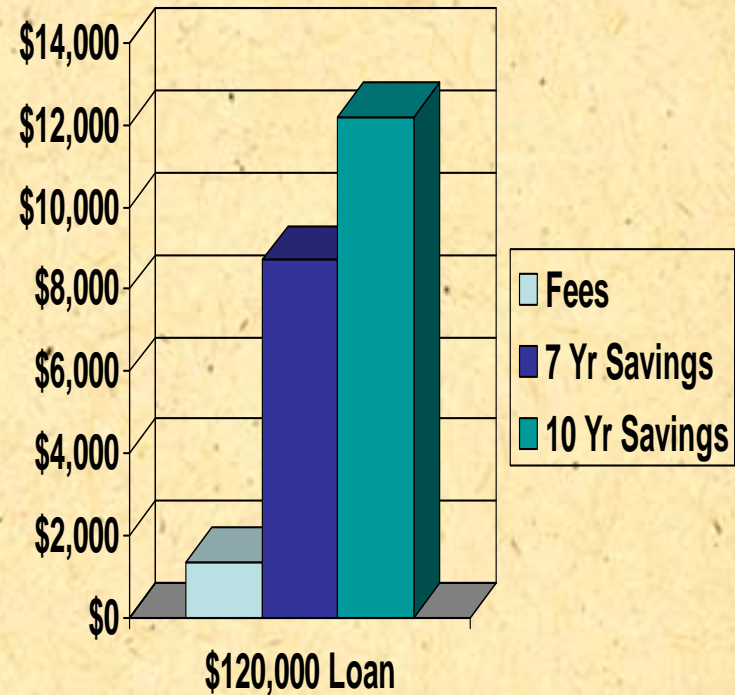
- Nearly \$26 million in funds available
- More funds waiting when program funds depleted





Fees

- One percent of loan upon closing
- \$75 lender fee
- \$100 NRHA application fee upon closing





Questions?

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