



New Hampshire Housing Home *Start* Homebuyer Tax Credit Program

Description:	The Home <i>Start</i> Homebuyer Tax Credit Program is a Mortgage Credit Certificate (MCC) Program. The MCC Program is a Federal program that aims to provide Eligible Borrowers with a long-term benefit to help them afford a home. An MCC works by reducing the Federal income taxes that an Eligible Homebuyer must pay. The MCC can convert a percentage of the interest paid on a mortgage into a tax credit. The maximum tax savings could be up to \$2,000 per year.																						
MCC Rate Based on Mortgage Amount:	<ul style="list-style-type: none"> • Loans less than \$130,000 50% MCC Rate • \$130,001 to \$160,000 40% MCC Rate • \$160,001 to \$200,000 35% MCC Rate • Loans greater than \$200,000 25% MCC Rate 																						
Term:	Maximum term not to exceed 30 years; MCC only valid for homes purchased with the MCC and for as long as the homebuyer lives in the home.																						
Loan and Rate Requirements: <i>(Please note: to work with the borrower directly you need to be a participating MCC Lender)</i>	<ul style="list-style-type: none"> • Fixed-rate can not exceed New Hampshire Housing’s highest rate published. • Meets the lender’s underwriting criteria • Government-insured (FHA, RD or VA) or eligible for sale to Fannie Mae or Freddie Mac • Adjustable-rate must have an initial mortgage interest rate, on the date the rate is locked, that is equal to or less than the Authority’s lowest posted interest rate on that day • Meet the lender’s underwriting criteria • Have an initial rate period, maximum rate adjustment and a maximum total rate adjustment consistent with the following table. <table border="1" data-bbox="358 1035 1484 1266"> <thead> <tr> <th colspan="2" data-bbox="358 1035 824 1098">Rate Periods</th> <th colspan="2" data-bbox="824 1035 1484 1098">Interest Rate Caps</th> </tr> <tr> <th data-bbox="358 1098 537 1161">Initial Rate Period</th> <th data-bbox="537 1098 824 1161">Adjustments after Initial Period</th> <th data-bbox="824 1098 1149 1161">Maximum First Rate Adjustment</th> <th data-bbox="1149 1098 1484 1161">Maximum Total Rate Adjustment</th> </tr> </thead> <tbody> <tr> <td data-bbox="358 1161 537 1199">5 years</td> <td data-bbox="537 1161 824 1199">Each year after initial</td> <td data-bbox="824 1161 1149 1199">Equal to or less than 3%</td> <td data-bbox="1149 1161 1484 1199">Equal to or less than 6%</td> </tr> <tr> <td data-bbox="358 1199 537 1236">7 years</td> <td data-bbox="537 1199 824 1236">Each year after initial</td> <td data-bbox="824 1199 1149 1236">Equal to or less than 3%</td> <td data-bbox="1149 1199 1484 1236">Equal to or less than 6%</td> </tr> <tr> <td data-bbox="358 1236 537 1266">10 years</td> <td data-bbox="537 1236 824 1266">Each year after initial</td> <td data-bbox="824 1236 1149 1266">Equal to or less than 5%</td> <td data-bbox="1149 1236 1484 1266">Equal to or less than 6%</td> </tr> </tbody> </table>			Rate Periods		Interest Rate Caps		Initial Rate Period	Adjustments after Initial Period	Maximum First Rate Adjustment	Maximum Total Rate Adjustment	5 years	Each year after initial	Equal to or less than 3%	Equal to or less than 6%	7 years	Each year after initial	Equal to or less than 3%	Equal to or less than 6%	10 years	Each year after initial	Equal to or less than 5%	Equal to or less than 6%
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Eligible Homebuyers:	<ul style="list-style-type: none"> • Must be a first-time homebuyer (no ownership in the past 3 years). Homebuyers who buy in a targeted area do not have to be first-time homebuyers. • Household income must be at or below current MCC Program Income Limits • Acquisition cost must be within current MCC Program Purchase Price Limits • Must owner occupy principal residence • Borrowers with non-occupant cosigners would not be eligible for the program 																						
Eligible Properties:	<ul style="list-style-type: none"> • New or existing single-unit homes, which include manufactured homes on their own land or located in an Authority approved cooperative. • Max 5 acres; larger tracts need to be pre-approved 																						
Fees:	See fees sheet for Home <i>Start</i> Homebuyer Tax Credit Program																						
Homebuyer Education:	Borrower must complete New Hampshire Housing’s online MCC Homebuyer Education course located at www.GoNewHampshireHousing.com .																						
Recapture:	In certain circumstances, Eligible Homebuyers may be subject to pay Recapture Tax at time of sale of property.																						