

Homeowner Checklist

Information you will need to take to your lender when applying for a First Place Loan:

- Name and addresses of employer(s)
- List of all outstanding debts and credit cards
- Federal income tax returns for last three years
- Most recent pay stub(s)
- Divorce decrees, if applicable, and other documents relating to certain circumstances which may affect your financial status

For more information, contact MHDC or a Certified Lender.

A list of Certified Lenders can be found on our website:

www.mhdc.com



Strength, Dignity, Quality of Life
MISSOURI HOUSING
DEVELOPMENT COMMISSION

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Mortgage Credit Certificate (MCC)



Helping borrowers increase their ability to qualify for a mortgage

Missouri Housing Development

Commission MCC Program

Benefits

What is a MCC?

A certificate provided by the Missouri Housing Development Commission (MHDC) to the borrower that directly converts a portion of the mortgage interest paid by the borrower into a non-refundable federal tax credit.

- The MCC can only be issued by MHDC through a MHDC Certified Lender, and are typically available only to low- or moderate- income homebuyers.
- It is designed to help first-time homebuyers qualify for a home loan by reducing the borrowers tax liabilities below what they would otherwise have to pay.
- The MCC is good for the “Life of the Loan.” The credit is worth:
 - 25% MCC Stand Alone
 - 35% if used with the Next Step CAL Program
 - 45% if used with the Next Step NON CAL Program
- Maximum allowable credit in a year is \$2,000.
- The homebuyer can carry forward the unused portion of the credit up to three years or until used, whichever comes first.

* For more information, please visit the Missouri Housing Development Commission website at www.mhdc.com.

MCC Program Eligibility

- First-Time Homebuyers must not have owned or had principal interest in their primary residence in the past three years.
- Homebuyers must apply with a certified lender.
- Homebuyers must have qualifying credit (minimum credit score required).
- Homebuyers must meet income and purchase price limits (see charts on the right).
- The property can be a single-family detached home, one-half duplex, semi-detached homes, condominiums, town-homes, or manufactured homes on a permanent foundation.

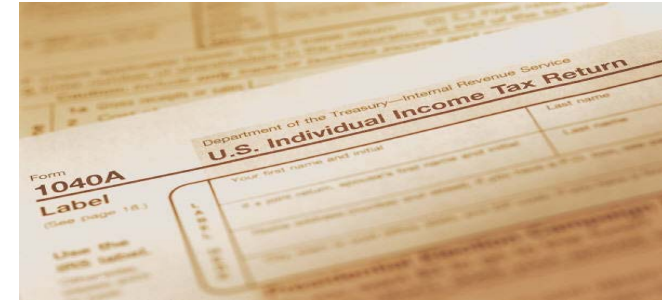
Example of tax savings using the MCC program:

| | With a MCC | Without a MCC |
|-----------------------|------------|---------------|
| Adjusted Gross income | \$65,000 | \$65,000 |
| Itemized Deduction | \$6,200 | \$8,200 |
| 1 Exemption | \$3,900 | \$3,900 |
| Taxable income | \$54,900 | \$52,900 |
| Tax | \$9,761 | \$9,261 |
| Tax Credit for MCC | \$2,000 | 0 |
| Total Tax Liability | \$7,761 | \$9,261 |

The borrower can complete a new W-4 form with their employer to receive more money in each paycheck .

Purchase Price Limits

| | Non-Targeted | Targeted |
|-------------|--------------|-----------|
| Single Unit | \$248,098 | \$303,231 |



Income Limits

For more information about targeted and non targeted areas, please visit our website: www.mhdc.com/homes/targeted/targeted_areas.htm.

| | Non Targeted | | Targeted | |
|--|--------------|-----------|------------|-----------|
| | 1-2 person | 3+ person | 1-2 person | 3+person |
| Kansas City MSA (Counties of Caldwell, Cass, Clay, Clinton, Jackson, Lafayette, Platte and Ray) | \$74,800 | \$86,020 | \$89,760 | \$104,720 |
| Jefferson City MSA (Counties of Cole, Osage) | \$64,200 | \$73,830 | \$77,040 | \$89,880 |
| Columbia MSA (Counties of Boone and Howard) | \$74,400 | \$85,560 | \$89,280 | \$104,160 |
| St. Louis MSA (Counties of Franklin, Jefferson, Lincoln, St. Charles, St. Louis City, St. Louis County and Warren) | \$74,500 | \$85,675 | \$89,400 | \$104,300 |
| All Other Areas | \$63,200 | \$72,680 | \$75,840 | \$88,480 |