

Homeowner Checklist

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

- Residency history, employment history, recent pay stubs, asset statements 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



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
Standard Deduction	\$12,000	\$12,000
Taxable income	\$53,000	\$53,000
Tax	\$7,600	\$7,600
Tax Credit for MCC	\$2,000	0
Total Tax Liability	\$5,600	\$7,600

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	\$349,525	\$447,542



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)	\$96,800	\$111,320	\$116,160	\$135,520
Jefferson City MSA (Counties of Cole, Osage)	\$82,700	\$95,105	\$99,240	\$115,780
Columbia MSA (Counties of Boone)	\$88,000	\$101,200	\$105,600	\$123,200
St. Louis MSA (Counties of Franklin, Jefferson, Lincoln, St. Charles, St. Louis City, St. Louis County and Warren)	\$94,900	\$109,135	\$113,880	\$132,860
All Other Areas	\$80,900	\$93,035	\$97,080	\$113,260