



BUY A HOME AND PUT MONEY BACK IN YOUR POCKET



Who can apply?*

- You may qualify for the program if:
 - You are purchasing your first home.
 - You have not owned a home during the past three years.
 - Your annual household income does not exceed the program income limits.
 - The home's purchase price does not exceed the maximum allowed purchase price limits.
 - You will occupy the home as your primary residence.

What is an MCC? How does it benefit someone who is purchasing a home?

A Mortgage Credit Certificate (MCC) reduces the amount of Federal income tax you pay, giving you more available income to qualify for a mortgage loan.

their ability to qualify for the mortgage loan itself.

The new homeowner can claim the MCC tax credit every year, for as

long as they occupy the home purchased as their primary residence and pay mortgage interest, up to the term of the original mortgage loan.

An MCC allows the homebuyer to claim a tax credit for a portion of the mortgage interest paid annually. It is a dollar-for-dollar reduction against their federal tax liability*.

The tax credit provided by the MCC is also used to calculate the amount of disposable income available to purchase a home. In this manner, eligible homebuyers can increase

Value of an MCC Tax Credit Combined with a Tax Deduction*

<i>For example purposes only</i>	W/MCC TAX CREDIT	W/O MCC TAX CREDIT TAX DEDUCTION
Total Income (married, joint filing)	\$60,000	\$60,000
Itemized Interest	(7,800)	(9,000)
Exemptions (2)	(6,200)	(6,200)
Total Taxable Income	\$46,000	\$44,800
Federal Income Tax Liability	\$6,118	\$5,959
MCC Credit (20%)	(1,800)	(0)
Taxes Paid	\$4,300	\$5,959

Example is based on a \$200,000 mortgage x 4.5% interest rate = \$9,000 annual interest; \$9,000 times 20% MCC Credit = \$1,800. This illustration is simplified for example purposes only. Actual figures may vary and many other considerations may impact actual tax debt*.

How to apply?

Your MCC Approved Lender will help you determine if you qualify, and help you submit your MCC application when you apply for your mortgage loan. Call us today.

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*This brochure contains general program information and is not intended as legal or tax advice. Homebuyers are encouraged to consult with a tax advisor regarding the impact of an MCC on their individual tax liability. Your MCC Approved Lender can provide you with information about "Targeted Areas" as well as program income and purchase price limits. CRHMFA Homebuyers Fund (CHF) is a government sponsored joint powers authority that offers loan programs to assist potential homebuyers in purchasing a home. This advertisement contains MCC Program highlights only. This is not an extension of credit or a commitment to lend and is subject to change without notice. Please see the CHF MCC participating lenders listed on the CHF website, www.chfloan.org for all applicable guidelines and applications. Homebuyers are also encouraged to consult with their tax advisor regarding the impact of an MCC on their individual tax liability.