

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
MORTGAGE CREDIT CERTIFICATE (MCC) PROGRAM**

PROGRAM SUMMARY

MCC Authority

- On January __, 2023, TDHCA will make \$300,000,000 of MCC authority available. The first date that MCCs can be issued under the Program is expected to be January __, 2023. The funds will be available under the Program to participating Lenders on a controlled, first-come, first-served basis in accordance with the procedures hereinafter described. The Department will notify Lenders of various terms related to the Program and the MCCs through the periodic distribution of Rate Notices by eHousingPlus, which has been designated as the Program Administrator. A Rate Notice will notify Mortgage Lenders that funds are available, specify the amount of funds available (the “Commitment Lot”), specify the mortgage credit certificate rate then in effect for that Commitment Lot, and specify the fees applicable to the Commitment Lot.

Qualified Homebuyer

- Must be a first-time homebuyer (Applicant cannot have owned a home as a Principal Residence within the previous three years, except (i) in certain Targeted Areas, (ii) if the Applicant is a Qualified Veteran who has not previously received financing pursuant to this exception, or (iii) in certain cases permitted under applicable provisions of the Internal Revenue Code).
- Must intend to occupy the Residence as the principal and permanent place of Residence within a reasonable time not to exceed 60 days after the closing date of the mortgage loan to purchase the Residence.
- Must meet the income guidelines of the Program.
- Must complete an approved pre-purchase homebuyer education course under the Program.

Eligible Loan Area

- State of Texas

Eligible Property Types

- New or existing single family residences, including certain duplexes
- New or existing condominiums or townhomes
- Certain manufactured housing permanently affixed to the ground

Program Fees and Expenses

- Program fees will be specified in the periodic distribution of Rate Notices

Maximum Income and Maximum Home Purchase Price Limits

- SEE EXHIBIT A

Mortgage Loan Types

- Prevailing market rate mortgages; may be a conventional, FHA, VA or USDA-RHS fixed rate loan; variable rate loans are not permitted (cannot be part of a tax-exempt bond program or a veterans' tax-exempt bond program).
- Term of the loan will be either 15 years or 30 years.

Refinancings

- An MCC may be reissued under certain circumstances to the holder of an MCC issued under this program if the underlying mortgage is refinanced.
- The refinanced loan amount cannot exceed the outstanding balance of the original mortgage loan as of the date of the refinancing.

EXHIBIT A

Combined Income and Purchase Price Limits Table

My FIRST and Texas MCC considers the income of all person(s) who will sign the Deed of Trust (including Non-Purchasing Spouse).

My FIRST TexasHome only provides DPA with a 2nd Lien, Not a Grant.



Purchase Price Limits Effective March 30, 2022 / Income Limits Effective May 1, 2022

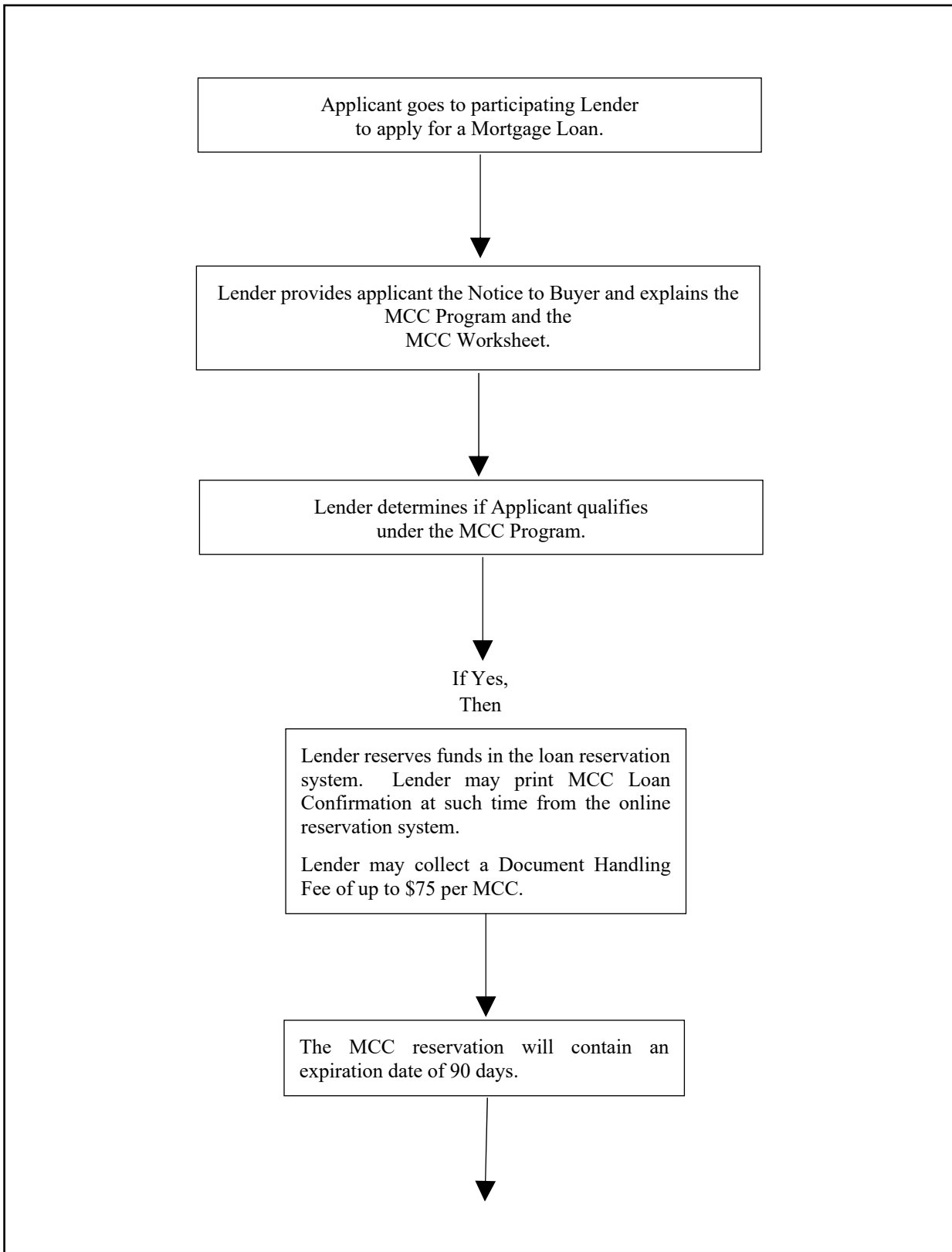
Area of State	Counties in Area	INCOME LIMITS				PURCHASE PRICE LIMITS	
		Govt Loan and Stand-Alone MCC Non TARGETED Areas		Govt Loan and Stand-Alone MCC TARGETED Areas		1-UNIT** Non-Targeted Area	1 UNIT ** Targeted Area
		100% AMFI 1 or 2 Persons	115% AMFI 3 or more Persons	120% AMFI 1 or 2 Persons	140% AMFI 3 or more Persons		
Balance of State	ALL COUNTIES NOT LISTED BELOW	\$85,300	\$98,095	\$102,360	\$119,420	\$349,525	\$427,198
Amarillo, HMFA	Armstrong, Carson, Potter, Randall	\$85,300	\$98,095	\$102,360	\$119,420	\$349,525	\$427,198
Andrews County	Andrews	\$93,200	\$107,180	N/A		\$349,525	N/A
Austin County, HMFA	Austin	\$96,900	\$99,935	N/A		\$349,525	N/A
Austin-Round Rock, MSA	Bastrop, Caldwell, Hays*, Travis* & Williamson	\$110,300	\$126,845	\$132,360	\$154,420	\$401,305	\$490,484
Blanco County	Blanco	\$85,300	\$98,095	N/A		\$349,525	N/A
Borden County	Borden	\$103,900	\$119,485	N/A		\$349,525	N/A
Brazoria County, HMFA	Brazoria	\$107,000	\$123,050	N/A		\$349,525	N/A
Cooke County	Cooke	\$85,300	\$98,095	N/A		\$349,525	N/A
Crane County	Crane	\$85,300	\$98,095	N/A		\$349,525	N/A
Dallas, HMFA	Collin*, Dallas*, Denton*, Ellis*, Hunt*, Kaufman* & Rockwall	\$97,400	\$112,010	\$116,880	\$136,360	\$374,551	\$457,784
Fort Worth - Arlington, HMFA	Johnson*, Parker & Tarrant*	\$92,300	\$106,145	\$110,760	\$129,220	\$374,551	\$457,784
Gillespie County	Gillespie	\$85,300	\$98,095	N/A		\$349,525	N/A
Glasscock County	Glasscock	\$85,300	\$98,095	N/A		\$349,525	N/A
Hartley County	Hartley	\$85,300	\$98,095	N/A		\$349,525	N/A
Hemphill County	Hemphill	\$93,700	\$107,755	N/A		\$349,525	N/A
Hood County, HMFA	Hood	\$88,200	\$101,430	N/A		\$349,525	N/A
Houston-The Woodlands-Sugar Land, HMFA	Chambers, Fort Bend*, Galveston, Harris*, Liberty, Montgomery* & Waller	\$90,100	\$103,615	\$108,120	\$126,140	\$349,525	\$427,198
Jackson County	Jackson	\$85,300	\$98,095	N/A		\$349,525	N/A
Kendall County, HMFA	Kendall	\$113,200	\$130,180	N/A		\$373,596	N/A
Kent County	Kent	\$85,300	\$98,095	N/A		\$349,525	N/A
King County	King	\$85,300	\$98,095	N/A		\$349,525	N/A
Lipscomb County	Lipscomb	\$85,300	\$98,095	N/A		\$349,525	N/A
Loving County	Loving	\$112,200	\$129,030	N/A		\$349,525	N/A
Martin County, HMFA	Martin	\$90,800	\$104,420	N/A		\$349,525	N/A
Medina County, HMFA	Medina	\$87,300	\$100,395	N/A		\$373,596	N/A
Mitchell County	Mitchell	\$87,000	\$100,050	N/A		\$349,525	N/A
Midland, HMFA	Midland*	\$119,200	\$137,080	\$143,040	\$166,880	\$349,525	\$427,198
Odessa MSA	Ector*	\$92,700	\$106,605	\$111,240	\$129,780	\$349,525	\$427,198
Oldham County, HMFA	Oldham	\$85,300	\$98,095	N/A		\$349,525	N/A
Pecos County	Pecos	\$85,300	\$98,095	N/A		\$349,525	N/A
Reagan County	Reagan	\$88,200	\$101,430	N/A		\$349,525	N/A
Roberts County	Roberts	\$90,700	\$104,305	N/A		\$349,525	N/A
San Angelo MSA	Irion, Tom Green	\$86,900	\$99,935	N/A		\$349,525	N/A
San Antonio-New Braunfels, MSA	Atascosa*, Bandera, Bexar*, Comal, Guadalupe* & Wilson	\$85,300	\$98,095	\$102,360	\$119,420	\$373,596	\$456,617
Schleicher County	Schleicher	\$85,300	\$98,095	N/A		\$349,525	N/A
Sherman-Denison, MSA	Grayson	\$85,300	\$98,095	\$102,360	\$119,420	\$349,525	\$427,198
Somervell County, HMFA	Somervell	\$85,300	\$98,095	N/A		\$349,525	N/A
Stonewall County	Stonewall	\$85,300	\$98,095	N/A		\$349,525	N/A
Ward County	Ward	\$85,300	\$98,095	N/A		\$349,525	N/A
Wise County, HMFA	Wise	\$95,500	\$109,825	N/A		\$374,551	N/A
Yoakum County	Yoakum	\$85,300	\$98,095	N/A		\$349,525	N/A

* Property must be located in a qualified targeted area to use the Targeted Area Limits.

"AMFI" - Area Median Family Income; **"MSA"** - Metropolitan Statistical Area; **"HMFA"** - HUD Metro FMR Area
 Down Payment Assistance Available to ALL Income Categories - * Targeted Areas are areas of severe economic distress.
**** 2 UNIT Purchase Price Limits can be found at:** <https://thetexashomebuyerprogram.com/uploads/2unitlimits.pdf>
 See Current Interest Rates and Available Options - <https://thetexashomebuyerprogram.com/uploads/Rate-Notice.pdf>

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MCC ISSUANCE PROCEDURES



Lender proceeds with normal underwriting procedures. Once the loan is approved and the underwriter confirms the applicant is eligible for the MCC Program, the underwriter completes the online underwriter certification.

Lender closes the Mortgage Loan and provides the applicant with a copy of the MCC Loan Confirmation and submits the Compliance File to the Department or its designee within 30 days following the closing date of the Mortgage Loan. Compliance File:

- (1) Compliance File Checklist;
- (2) Applicant Affidavit, Affidavit of Seller and Certificate of Lender;
- (3) HUD-1 settlement statement;
- (4) Notice of Potential Recapture Tax on Sale of Home;
- (5) MCC Issuance Fee, generated and auto-populated by online reservation system (check or money order or electronic wire);
- (6) Certificate of completion of an approved pre-purchase homebuyer education course;
- (7) Copy of the qualified veteran's discharge papers, if applicable;
- (8) Copy of federal Tax Transcript (obtained by IRS Form 4506-T) for preceding calendar year, if required;
- (9) Copy of real estate purchase contract, if required;
- (10) Copy of final executed loan application (1003), if required; and
- (11) Copy of warranty deed, if required.

Department or its designee reviews the Compliance File for compliance with the MCC Program and issues the MCC. The MCC is mailed to the Mortgagor by regular mail with a copy emailed to the Lender.

If the documentation is incomplete or incorrect, the Compliance File must be resubmitted — Please refer to the Program Manual.

Lender must also file the IRS Form 8329 annually for all loans originated during the calendar year where the Mortgagor obtained an MCC and for reissued MCCs. The Department will provide information to the Lender to complete IRS Form 8329. The Department will provide IRS Form 8329 to a non-participating lender who originates a refinanced mortgage loan for which a reissued MCC is issued.