

# CALCULATE

how much you can save.

The following is an example of only one year of savings from the Mortgage Credit Certificate:

Loan Amount	\$120,000
Times Loan Interest Rate x	x 5%
Approximate Annual Interest	\$6,000
Times MCC Credit Rate	x 35%
Approximate Annual MCC Savings*	\$2,100
Maximum Annual Savings	\$6,000

\*Federal guidelines limit savings at a maximum \$2,000 per year.

Savings continue annually for the life of the loan, based on actual interest paid on the loan, providing that you reside in the dwelling.



To obtain your **MCC** and **SAVE** more than **\$150** a month:

- Call a participating lender or your local Realtor or builder for details;
- Obtain a contract to purchase the new or existing home you choose;
- Meet program guidelines and qualify for the home mortgage;
- Receive a reservation from your lender for a Mortgage Credit Certificate to save 35% of your mortgage interest;
- Close on the purchase of a home;
- Obtain the Mortgage Credit Certificate; and,
- Enjoy your tax savings and your new home.

With flexible qualifying requirements, the available funds will go fast!

## CALL A PARTICIPATING LENDER TODAY!

For details and a list of participating lenders, call the

**MCC HOTLINE**  
**(713) 260-3553**

[www.galvestonhfc.org](http://www.galvestonhfc.org)

**SAVE more than \$150**  
a month every year you live in your home with the **Mortgage Credit Certificate!**



Join hundreds of buyers with a new home and save for years to come.

Your lender can explain how to Save **\$150** a month or **MORE!**

An MCC could save you up to **\$2,000** a year!

**NOW** is the time to buy a home. With low prices and low interest rates additional savings are available. If you are a First-Time Homebuyer (have not owned a home in three years) the Mortgage Credit Certificate (MCC) Program in Galveston County can save 35% of your mortgage interest each year you live in your home and pay on the mortgage. This dollar-for-dollar tax credit returns up to **\$2,000** per year to qualified buyers who are within the maximum income and purchase price limits.

## Maximum Income and Purchase Price Limits:

### Maximum Income Limits

Size of Family	Non-Targeted Area	Targeted Area*
1-2	\$65,100	\$78,120
3+	\$74,865	\$91,140

### Maximum Purchase Price

	Non-Targeted Area	Targeted Area*
All Houses	\$243,945	\$298,155

The MCC is a federally approved tax credit program designed to promote homeownership. Community-minded participating lenders who have been trained to use the program can help you access the MCC Program.



The MCC income tax credit often may result in approximately **\$150** in monthly savings or up to **\$2,000** a year as an additional income tax refund. The actual benefit varies according to:

- **Income of the buyer;**
- **The amount of the loan;**
- **The mortgage loan interest rate.**

Simply put, it is a reduction of the federal income taxes owed, or an increase in refund. If you need help qualifying, the MCC also can work in your favor.

Mortgage Credit Certificates are available for use within Galveston County, but NOT within the cities of Dickinson, Galveston, Friendswood, La Marque, League City, Santa Fe or Texas City.

The program is open to those First-Time Homebuyers who:

- Meet the income and home purchase price requirements;
- Qualify for a mortgage loan;
- Will use the home as their principal residence;
- Will use the loan for the home purchase not for refinance;
- Will not use a bond loan.

Participating lenders offer most home loans, including FHA, VA, conventional or RD. Mortgage loans may be repaid, in whole or in part, at any time, according to their respective terms. However, a federal recapture tax may be required if you sell your residence within nine years of your purchase.

Remember, there are basic costs associated with any mortgage loan and the Mortgage Credit Certificate Program requires a lender and program participation fee. The fees may be paid by the seller, the buyer or his family or can be paid jointly. In certain cases the fees may be financed.

The Program Participation Fees are: \$75 plus 1% of the loan amount plus \$75. The Lender Fee of \$75 is due at application. The Program Participation Fee is an amount equal to 1% of the mortgage amount plus another \$75 and is due at closing. *In most cases fees are recovered through the savings in the first year.*

Some families may qualify for a \$1,000 closing cost assistance grant (that does not have to be paid back). Families and individuals who are first-time homebuyers and earn up to 80% of median income adjusted for family size, are eligible for this benefit. Please ask your lender if you fall into this earnings group.

