

Memorandum

February 23, 2017

To: Participating Lenders

Thru: Norman Howard, Manager

From: C. Susie Barzey

Subject: 2017 Mortgage Credit Certificate Program (MCC) Processing Procedures

Attached please find completed sample forms for your convenience to assist you in completing the required documents for requesting a MCC reservation (Tabs 2-4), and submitting closing documents (Tabs 5-11 and a signed Closing Disclosure document).

Also, the sample forms have highlighted areas that are critical to the eligibility for the issuance of the MCC. Lenders are asked to correctly complete the documents to prevent denial of the MCC program.

Effective immediately Norman Howard will serve as primary intake processor for all incoming application submissions (Tabs 2-4) and extensions. You may contact him via email nhoward@broward.org or at (954) 357-4925.

Ms. C. Susie Barzey will be your point of contact for processing Tabs 5-11. Be sure to include a check for \$175.00 (processing fee) and a signed closing disclosure document. She can be reached at (954) 357-4901 or via email cbarzey@broward.org.

Failure to comply with these procedures will result in the denial of the MCC Program for your client.

**HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA
2017 MORTGAGE CREDIT CERTIFICATE PROGRAM**

MCC WORKSHEET

You may be eligible to receive from the HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA and your Participant, a TAX CREDIT that reduces your federal income taxes dollar for dollar and still be able to receive a tax deduction for most of the interest paid on your home mortgage loan.

Generally, you qualify if you have not owned a home during the last three years (unless the home you purchase is located in a Targeted Area or you are a Qualified Veteran) and can answer "Yes" to the following:

| | Yes | No |
|---|--------------|---------------|
| 1. Is your current annual gross income less than the applicable amount shown on Appendix A hereto? | <u> x </u> | <u> </u> |
| 2. Do you plan to occupy the home purchased within 60 days of the loan closing? | <u> x </u> | <u> </u> |
| 3. Is the Acquisition Cost of your home less than the applicable amount shown on Appendix A hereto? | <u> x </u> | <u> </u> |
| 4. Can you produce copies of tax returns for the last 3 years or show that you filed either a 1040A or 1040EZ form of tax return or that you meet one of the exceptions referenced above to the first-time homebuyer requirement? | <u> x </u> | <u> </u> |
| 5. Have you completed a loan application with a Participant? | <u> x </u> | <u> </u> |

If you answered YES to all of these questions, you probably qualify for a Mortgage Credit Certificate.

PLEASE NOTE: Mortgage Credit Certificates cannot be used in connection with a loan refinancing the existing balance of a loan you already have (except an interim construction loan) or with a loan which is part of a tax-exempt or veterans' bond program.

Complete the following Mortgage Tax Credit Calculations:

| | |
|---|---------------------|
| Loan Amount | \$ <u>277,382</u> |
| (times % interest rate of your loan) | X <u>3.785%</u> |
| Approximate Annual Interest | \$ <u>10,748.55</u> |
| (times MCC credit rate of __%*) | X <u>50%</u> |
| Approximate Annual Mortgage Tax Credit (MCC tax credit maximum is \$2,000) | \$ <u>5,374.28</u> |

PLUS, in addition to taking the Mortgage Tax Credit dollar for dollar from the federal income taxes you owe each year, under current tax laws, you also can deduct the interest paid on your loan each year (less an amount equal to the Mortgage Tax Credit) and your property taxes. If you think you qualify, go to your Participant for further information.

This worksheet is for informational purposes only and the calculation methodology may change over the course of the Program. You should consult your own tax advisor with respect to the federal income tax implications of an MCC to your particular situation.

**Subject to periodic adjustment.*

APPENDIX A

PROGRAM INCOME AND ACQUISITION COST LIMITS

As of July 5, 2016*

| <u>Purchase Price Limit</u> | <u>Non-Targeted</u> | <u>AMFI*</u> | <u>Targeted</u> | <u>AMFI*</u> |
|-------------------------------|---------------------|--------------|-----------------|--------------|
| One Unit | \$ 325,301 | | \$ 397,590 | |
| Two Units | \$ 416,432 | | \$ 508,973 | |
| Three Units | \$ 503,368 | | \$ 615,227 | |
| Four Units | \$ 625,568 | | \$ 764,583 | |
| Income Limits | | | | |
| Families 1 or 2 Persons | \$ 75,456 | 110% | \$ 82,920 | 120% |
| Families 3 or More Persons | \$ 86,774 | 115% | \$ 96,740 | 140% |

*Subject to periodic adjustment. Initial Area Median Family Income (AMFI) reflects high housing cost adjustment.

**APPENDIX B
TARGETED AREAS 2017 MCC PROGRAM**

The determination of the Qualified Census Tracts in Broward County was made by the United States Department of Housing and Urban Development and the United States Department of the Treasury based on criteria in the 2010 Census and Section 143 of the Internal Revenue Code. Neither the Housing Finance Authority of Broward County, Florida (the "Authority") or Broward County, Florida participated in the determination of the Qualified Census Tracts although the Participants and/or the Authority may rely thereon.

Qualified Census Tracts/Federally Designated Targeted Areas

Broward County, Florida Federally Designated Targeted Areas are identified as: 103.04, 204.12, 303.01, 304.02, 308.01, 414, 415, 416, 417, 503.09, 507.02, 603.02, 603.03, 603.04, 604.03, 1002.01, 1005.01, 1005.02 and 9800.*

*The Qualified Census Tracts listed above are subject to adjustment by the United States Department of Housing and Urban Development and/or the United States Department of the Treasury.

SAMPLE

**HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA
2017 MORTGAGE CREDIT CERTIFICATE PROGRAM
REQUEST FOR MCC COMMITMENT LETTER**

Date: Current Date MCC Commitment Fee (\$0)

Participant: Lender's Name

Participant Address: Lender's Address

Phone: Lender's Phone # Fax: Lender's Fax #

Contact: Lender's Contract Email: Lender's Contract email

Applicant(s): Home Buyer's/Buyers' Name

Soc. Sec. No. Home Buyer's SSN# Soc. Sec. No. 2nd Home Buyer's SSN#

Property Address: Property being purchased (Full Address)

Property City: _____ Zip Code: _____

Loan Amount: Do not leave blank Census Tract: Do not leave blank

Property: New/Existing (select one) Targeted Area: Yes/No (select one)

First-Time Homebuyer: Yes/No (select one) Qualified Veteran: Yes/No (select one)

Mortgage Term: 30 Years

Annual Income: Total household income Applicable Annual Income Limit: See Tab 2, Page 3

Acquisition Cost: Property Cost Applicable Limit on Acquisition Cost: See Tab 2, Page 3

Anticipated Closing Date: Do not leave blank

DOCUMENTS ENCLOSED: (Must select all of the following to be eligible of a MCC commitment letter)

- | | |
|---|--|
| <input type="checkbox"/> Mortgage Affidavit | <input type="checkbox"/> Three (3) Years Tax Returns |
| <input type="checkbox"/> Worksheet #1 | <input type="checkbox"/> Worksheet #3 |
| <input type="checkbox"/> Worksheet #2 | <input type="checkbox"/> Worksheet #4 |

The Housing Finance Authority of Broward County, Florida will issue an MCC Commitment Letter within 15 business days and will deliver via regular mail the MCC Commitment Letter to the address listed above.

Housing Finance Authority of Broward County, Florida Phone: (954) 357-4900, Ext. 238
110 N.E. 3rd Street, Suite 300 Ft. Lauderdale, FL 33301 Fax: (954) 357-8221
Attention: _____ Email:

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA
2017 MORTGAGE CREDIT CERTIFICATE PROGRAM

MORTGAGOR AFFIDAVIT

STATE OF FLORIDA)

BROWARD COUNTY)

The undersigned Applicant (whether one or more), the proposed purchaser(s) or owner(s) of the Residence located in the Broward County, Florida described below (the "Residence") and an Applicant under the Housing Finance Authority of Broward County, Florida's ("Authority") 2017 Mortgage Credit Certificate Program (the "Program"), does hereby depose and say, under penalty of perjury and the civil penalties outlined herein, that each of the following statements are true, correct and complete in all respects:

1. **Income.** (a) My current **Annualized Gross Income**, when added to the aggregate current Annualized Gross Monthly Income of all persons who intend to reside with me in the Residence is **Do not leave blank**. **[See Worksheet One attached hereto].**

(b) I agree to furnish true and accurate copies of federal income tax returns for the past three years, as signed and filed with the Internal Revenue Service, for myself and all persons intending to reside with me in the Residence. I hereby authorize the above Participant to review such returns to verify the statements set forth herein, and I hereby authorize the Authority and its agents to review such returns as may be necessary to process my application for a Mortgage Credit Certificate ("MCC") under the Program. In lieu of providing copies of tax returns, I may submit original tax account information letters from the Internal Revenue Service showing that I filed Form 1040A or 1040EZ tax returns for the years in question and stating my filing status and adjusted gross income. *Not applicable if the Residence is located in a Targeted Area or is a Qualified Veteran.*

2. **Tax Returns.** The following federal income tax return information is accurate for all persons intending to reside with me in the Residence described on the Mortgagor Affidavit:

CHECK WHICH APPLIES: (Make a selection. Do not skip over)

Attached are true and accurate copies of federal income tax returns for the past three years, as signed and filed with the IRS.

Attached is the original tax account information letter from the IRS verifying the type of returns filed, filing status and adjusted gross income for the past three years. These letters may be used in lieu of furnishing copies of tax returns for persons who filed either Form 1040A

or 1040EZ tax returns.

I have not filed my Federal income tax return for the preceding year with the IRS. I am not entitled to claim deductions for taxes or interest in indebtedness with respect to property constituting my Principal Residence for the preceding calendar year. This statement may be furnished during the period between January 1 and February 15 when the loan has not yet been executed.

The loan is for a Residence located in a Targeted Area, and, as such, I am not required to provide copies of tax returns.

The loan is for a Qualified Veteran, and, as such, I am not required to provide copies of tax returns.

3. **Family Size.** The number of persons constituting my family who will reside in the Residence (together with any other persons who will reside in the Residence) is Do not leave blank

4. **Location of Residence.** The Residence is located within Broward County, Florida.

5. **Acquisition Cost.** (a) The Residence is (check one):

_____ New Housing _____ Existing Housing

(b) The "Acquisition Cost" of the Residence (as determined in accordance with Worksheet Two attached hereto) is \$ Do not leave blank. I understand that the term "Acquisition Cost" includes: (i) all amounts paid either in cash or in kind, by me (or by a related party or for my benefit) to the Seller (or to a related party or for Seller's benefit) as consideration for the Residence; (ii) if the Residence is incomplete, the reasonable cost of completing it; and (iii) if the Residence is being purchased subject to a ground lease, the capitalized value of the ground rent. I understand further that "Acquisition Cost" does not include: (i) settlement and financing costs (such as title and transfer fees, title insurance, survey fees, credit reference fees, legal fees, appraisal fees and points paid by me (but not points paid by the Seller) and other similar costs) but only to the extent that such amounts do not exceed the usual and reasonable settlement and financing costs for a home mortgage loan in this area; or (ii) the value of any services to be performed by me or my family members (including brothers and sisters (whether by whole or half-blood), spouse, ancestors and lineal descendants only) to complete the Residence; or (iii) the cost of the land on which the Residence is located if I owned such land at least 2 years prior to the commencement of construction of the Residence.

(c) Worksheet Two attached hereto sets forth an accurate calculation of the "Acquisition Cost" of the Residence.

6. **Principal Residence.** (a) I intend to occupy the Residence as my "Principal

Residence" within a reasonable time (not to exceed 60 days) following the execution of the loan to provide financing on the Residence. I understand that the term "Principal Residence" means a home which, depending on all of the facts and circumstances (including the good faith intent of the occupant), is occupied by me primarily for residential purposes. I understand further that a "Principal Residence" does not include a home used as an investment property or a recreational home or a home which is used primarily in a trade or business (as evidence by the use of more than fifteen percent of the total floor space in a trade or business). I agree to notify the Authority immediately if at any time the Residence ceases to be my Principal Residence.

(b) I do not intend to claim, with respect to the Residence, any deductions pursuant to the Internal Revenue Code for expenses incurred in connection with the business use of a home.

7. Prior Ownership of a Residence. Either (a):

- (i) I have not had a present ownership interest in a "Principal Residence" at any time during the three-year period ending on the date of the execution of the loan. I understand that the term "Principal Residence" has the same meaning set forth in the preceding paragraph, and I understand further that the term "present ownership interest" includes: a fee simple interest; a joint tenancy, a tenancy in common or a tenancy by the entirety; the interest of a tenant stockholder in a cooperative; a life estate, a land contract or contract for deed under which possession and the burdens and benefits of ownership are transferred although legal title is not transferred until some later date; and an interest held in trust for one person by another person; but that "present ownership interest" does not include a remainder interest, a lease with or without an option to purchase, a mere expectancy to inherit, the interest that a person acquires upon the execution of a real estate purchase contract, or any interest in other than a "Principal Residence";
- (ii) Worksheet Three attached hereto sets forth an accurate statement of the places at which I have resided during the past three years and an explanation of the rental or other arrangements under which I have resided at such places; and
- (iii) My federal income tax returns for the past three years, as signed and filed with the Internal Revenue Service, reflect that I have not claimed deductions during the past three years for real property taxes or interest on a loan with respect to a "Principal Residence"; or

(b) The Residence is located in a Targeted Area.

(c) I am a Qualified Veteran.

8. Veteran Applicant. (a) I am a "veteran" (as defined in 38 U.S.C. Section 101) who has not previously obtained a mortgage loan financed by single family mortgage revenue bonds utilizing the veteran exception set forth on Section 143(d)(2)(D) of the Internal Revenue Code as

of 1986, as amended, as demonstrated on Worksheet Four attached hereto; and (b) attached hereto are true and correct copies of my discharge papers.

9. New Loan. Except as set forth below, the proceeds of the loan will not be used to replace an existing mortgage on the Residence to which I am a party or upon which I am an obligor. At no time prior to the date hereof have I been a party to a mortgage on the Residence (whether in the form of a deed of trust, conditional sales contract, pledge, agreement to hold title in escrow or other form of owner financing), other than a construction loan, construction bridge loan or other temporary initial construction financing initially incurred for the sole purpose of acquiring the Residence and initially incurred within 24 months from the date of execution of the loan and having an original term not exceeding 24 months, which will be paid with the proceeds of the loan.

If the proceeds of the loan will be used to replace a construction loan, construction bridge loan or other temporary initial construction financing, describe such financing in the space below, specifying the source, purpose and the term of such financing:

10. Prohibited Mortgages. No portion of the loan on the Residence shall be provided from the proceeds of a qualified mortgage bond or a qualified veterans' mortgage bond.

11. Size of Property; Income from Property. The real estate associated with the Residence is not greater than the normal and usual size of a lot within the area and is not in excess of that necessary to maintain the basic livability of the Residence. I do not expect to derive any income from the real estate associated with the Residence.

12. Other Owners of Residence. There are no persons who have or who are expected to have a "present ownership interest" (as defined in paragraph 4 hereof) in the Residence following execution of the loan who have not executed this Affidavit or one substantially the same as this Affidavit.

13. Verification. I understand that the Participant, the Internal Revenue Service, Housing Finance Authority of Broward County, Florida and/or their authorized representatives, intend to conduct investigations in order to verify the truth and completeness of the statements set forth herein. I hereby agree to provide access to such information, past income tax returns, canceled checks or receipts evidencing payment of rent, utility statements, employment records and similar data, as may be necessary in connection with such verification procedures, and authorize the disclosure of such information to the parties listed above.

14. Revocation of MCC. I understand that if any of the statements set forth herein are not true, correct and complete in all respects, or that if federal law or regulations disqualify me from participation in this Program, the MCC issued to me may be immediately revoked.

15. Qualification for Program. I qualify in all respects as an Applicant under the Program. I have been furnished a copy of the MCC Information Guide and am familiar with and understand the provisions of the Program.

16. No Other Applications. I have not made application to and been rejected by another Participant for an MCC under the Program for a loan similar in type and amount, and I have not been the recipient of an MCC under the Program.

17. Participant. I have not been required to seek financing for the purchase of the Residence through any particular Participant.

18. Assumption. I understand in the event that I sell this Residence at any time and desire to have my MCC transferred pursuant to the transfer provisions of the Program that (a) the person assuming my loan must qualify as an Applicant, (b) the "Acquisition Cost" may not exceed the maximum "Acquisition Cost" then applicable to Existing Housing, and (c) all other Program requirements must be satisfied, including without limitation, the payment of all applicable assumption fees.

19. Tax Credit Recapture. I understand in the event I sell this Residence within the nine year period following the issuance of an MCC, all or a portion of the tax credit utilized under the Program will be subject to recapture pursuant to the provisions of Section 143(m) of the Internal Revenue Code.

20. Family Members. I further swear and affirm that I am not an employee of, nor am I the spouse of an employee of, the Participant or related within the third degree of affinity (marriage) or consanguinity (blood) to an employee of the Participant.

21. Interest to Related Persons. No interest on the loan is being paid to a "related person" to the Applicant, as that term is defined in Section 144(a)(3)(A) of the Internal Revenue Code and the regulations promulgated pursuant thereto. Such a "related person" does not have, and is not expected to have, an interest as a creditor in the loan.

22. Condition to Issuance of MCC. I understand that the Authority's ability to issue an MCC in connection with the mortgage loan is contingent upon the availability of funds at the time of reservation, including the requirement that the Authority has made an election with the IRS to issue MCCs.

23. Penalty. The statements set forth herein are made under penalty of perjury and the following civil penalties: Any material misstatement in any Affidavit or certificate made in connection with application for or issuance of an MCC due to my negligence shall result in a civil penalty fee payable to the United States Department of the Treasury or the Internal Revenue Service of \$1,000.00; and any such material misstatement due to my fraud shall result in a civil penalty fee payable to the United States Department of the Treasury or the Internal Revenue Service of \$10,000.00. I understand that perjury is a felony offense punishable by fine or imprisonment, or both.

24. Attachments. All documents attached hereto (and any documents submitted to supplement and/or complete the application) are true and correct and not misleading in any material respect.

Do not leave blank

Name(s) of Applicant:

Signature(s) of Applicant:

THE STATE OF _____)

COUNTY OF _____)

SUBSCRIBED AND SWORN to before me on this _____ day of _____, 20____.

Notary Public, State of Florida

(typed or Printed Name)

My Commission Expires:

SAMPLE

**WORKSHEET ONE
CURRENT ANNUALIZED GROSS MONTHLY INCOME**

1. The names, relationships, ages and social security numbers of all persons intending to reside in the Residence are as follows: **List all members of the Household.**

| <u>Name</u> | <u>Relationship to Application</u> | <u>Ages</u> | <u>Social Security No.</u> |
|-------------|------------------------------------|-------------|----------------------------|
| | | | |
| | | | |
| | | | |
| | | | |

In determining gross monthly income, the income of the mortgagor(s) and anyone who is expected to live in the residence must be taken into account.

2. The name and address of the employer(s) of each of the above persons who is 18 years of age or older and his or her gross monthly income is as follows: **Do not leave blank**

| <u>First Name (from above)</u> | <u>Employer and Address</u> | <u>Gross Monthly Income*</u> |
|--------------------------------|-----------------------------|------------------------------|
| | | |
| | | |
| | | |
| | | |
| | | |

Total Income:

The **Annualized Gross Monthly Income** for all of the above persons [the total gross monthly income from Section 2 above multiplied by twelve] is \$ **Do not leave blank.** [Insert this figure in the blank in Section 1(a) of the Mortgagor Affidavit.]

*Gross monthly income shall include all current or anticipated wages and salaries, over time

pay, part time employment compensation, commissions, fees, tips and bonuses, and other compensation for personal services, before payroll deductions, net income from the operation of a business or profession (without deducting expenditures for business expansion or amortization of capital indebtedness or an allowance for depreciation of capital assets), any interest, dividends, royalties, and other net income of any kind from any investment or from real or personal property (without deducting expenditures for amortization of capital indebtedness or an allowance for depreciation of capital assets), all income received from social security, annuities, insurance policies, retirement funds, pensions, Veterans Administration (VA) compensation, disability, or other benefits and other similar types of periodic receipts, including a lump sum payment for the delayed start of periodic payments, payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay, the maximum amount of welfare assistance or any other form of public assistance available to the above persons, periodic and determinable allowances, such as alimony and child support payments and regular contributions and gifts received from persons not residing in the Residence, all regular pay, special pay, and allowances of a member of the Armed Forces (whether or not living in the Residence) who is the head of the household or spouse or other person whose dependents' are residing in the Residence, and any earned income tax credit to the extent it exceeds income tax liability.

SAMPLE

WORKSHEET TWO
ACQUISITION COST

Do not leave any blank spaces

1. Amount paid for the Residence, in cash or in kind, by Applicant to the Seller (including any amount which Seller is required to pay as a real estate commission or loan discount points): _____

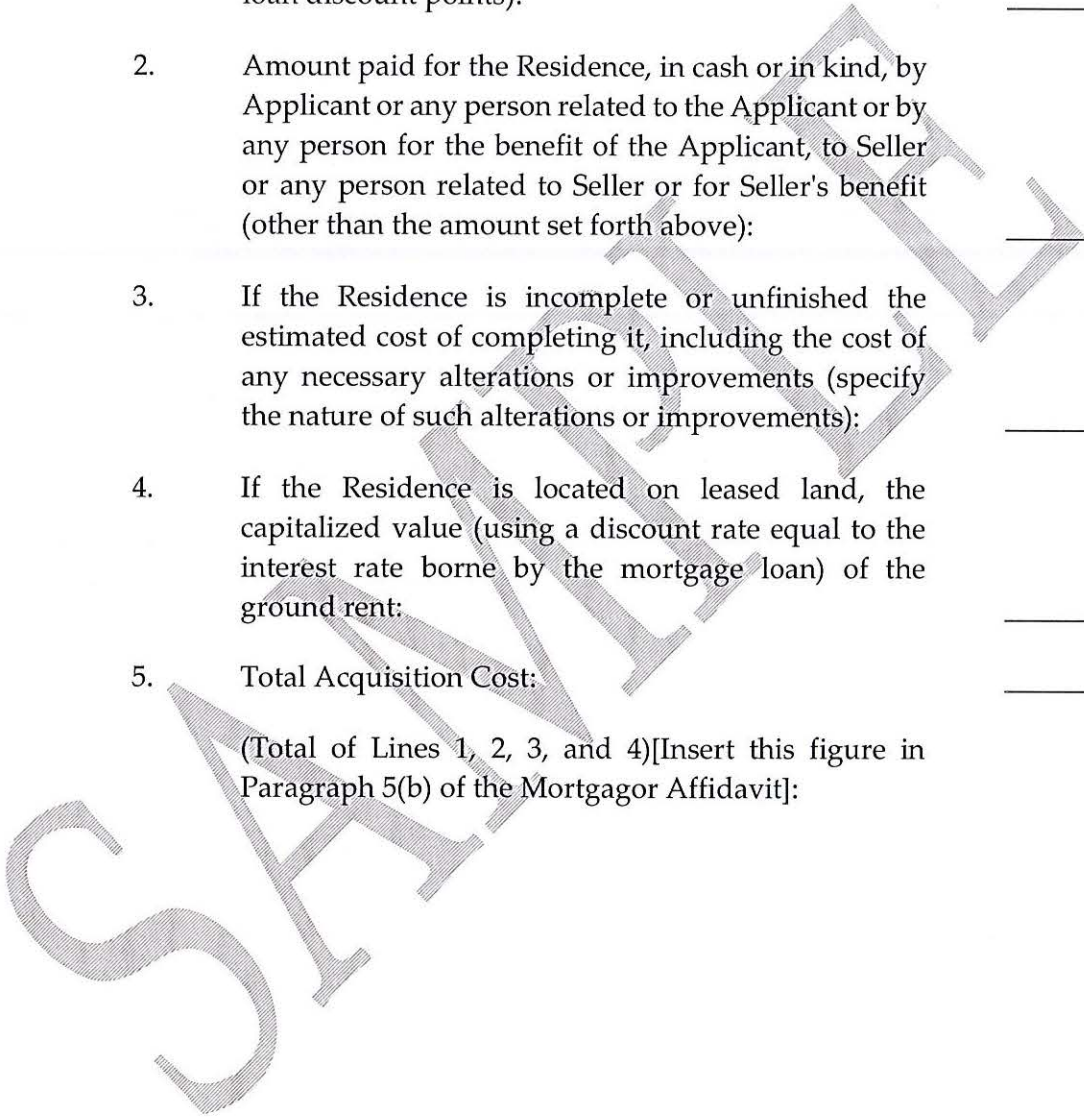
2. Amount paid for the Residence, in cash or in kind, by Applicant or any person related to the Applicant or by any person for the benefit of the Applicant, to Seller or any person related to Seller or for Seller's benefit (other than the amount set forth above): _____

3. If the Residence is incomplete or unfinished the estimated cost of completing it, including the cost of any necessary alterations or improvements (specify the nature of such alterations or improvements): _____

4. If the Residence is located on leased land, the capitalized value (using a discount rate equal to the interest rate borne by the mortgage loan) of the ground rent: _____

5. Total Acquisition Cost: _____

(Total of Lines 1, 2, 3, and 4)[Insert this figure in Paragraph 5(b) of the Mortgagor Affidavit]:



**WORKSHEET THREE
PRIOR RESIDENCES**

[NOT REQUIRED FOR A RESIDENCE LOCATED IN A TARGETED AREA OR FOR A QUALIFIED VETERAN]

Fill in blanks as necessary

Provide residential history for the previous three year period. During the last three (3) years I have either:

(1) Lived as a tenant at the following address(es) for the following periods of time:

Address: _____ Landlord: _____

City: _____ From: _____

Phone No.: _____ To: _____

(Include area code)

Address: _____ Landlord: _____

City: _____ From: _____

Phone No.: _____ To: _____

(Include area code)

Address: _____ Landlord: _____

City: _____ From: _____

Phone No.: _____ To: _____

(Include area code)

(Indicate additional addresses on a separate sheet, if necessary.)

(2) Lived with the following members of my family (without having a "present ownership interest" in the Residence) at the following address(es) for the following period(s) of time:

Name(s) of family members: _____

Relationship: _____

Address: _____ City: _____

_____ Phone No: _____

_____ From: _____

_____ To: _____

(Mo/Yr)

(Mo/Yr)

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY,
FLORIDA 2017 MORTGAGE CREDIT CERTIFICATE PROGRAM
MCC SUBMISSION COVER SHEET

Do Not Leave any Blank Spaces

Date: _____

Applicant: _____

Soc. Sec. No. _____

Property Address: Same as on Closing Disclosure

Property City/Zip Code: _____

MCC Commitment Number: _____

MCC Commitment Expiration Date: _____

Purchase Price: Same as on Closing Disclosure

Loan Amount: \$ Same as on Closing Disclosure

Loan Maturity Date: _____

Type of Loan: _____ VA _____ FHA _____ Conventional _____ USDA-RHS

Participant: _____

Participant Contact: Phone: _____

Email: _____

Fax: _____

Participant Loan Reference Number: _____

% of AFMI _____ Family Size: _____

Property Type:

- | | |
|---|-------------------------------------|
| <input type="checkbox"/> Single Family Detached | <input type="checkbox"/> Town House |
| <input type="checkbox"/> Manufactured Housing | <input type="checkbox"/> Condo |

Documents Submitted (check all that is applicable):

- | | |
|-------|---|
| _____ | Program Income Affidavit |
| _____ | Seller/Builder Affidavit or GSE/Institutional Seller Affidavit |
| _____ | Certificate of Participant |
| _____ | Lending Best Practices Affidavit |
| _____ | Closing Affidavit |
| _____ | Notice of Potential Recapture Tax on Sale of Home |
| _____ | Settlement Statement (HUD-1) |
| _____ | Credit Analysis Worksheet |
| _____ | Certificate of Completion of approved pre-purchase homebuyer education course, if applicable |

The following fee(s) must be submitted with the MCC Submission Package, which fee(s) is/are payable by check or money order to the Housing Finance Authority of Broward County, Florida.

MCC Issuance Fee - \$175.00

Late fee, if required - \$75.00

Housing Finance Authority of Broward County, Florida
Office of Housing Finance
110 N.E. 3rd Street, Suite 300
Ft. Lauderdale, FL 33301
Attention: _____
Telephone: (954) 357-4900

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA
2017 MORTGAGE CREDIT CERTIFICATE

PROGRAM INCOME AFFIDAVIT

The undersigned Applicant (whether one or more) under the Housing Finance Authority of Broward County, Florida's ("Authority") 2017 Mortgage Credit Certificate Program, does hereby depose and say, under penalty of perjury and the civil penalties provided herein, that each of the following statements are true, correct and complete in all respects:

1. Current Income. Attached is a true and correct copy of the credit analysis worksheet, or comparable instrument (the "Credit Analysis Worksheet"), prepared by the Participant in determining my gross monthly income. I hereby certify that the gross monthly income stated on the Credit Analysis Worksheet is a true and accurate statement of my income and the income of all persons age 18 or older who intend to reside with me in the Residence, except as noted below [indicate in the space provided any additional monthly income not stated on the Credit Analysis Worksheet such as alimony, child support, income of other adult family members, etc.]:

My total annualized gross monthly income (12 times the sum of my gross monthly income stated on the Credit Analysis Worksheet and any additional monthly income stated above) is \$Do Not Leave Blank.

2. All documents attached hereto (and any documents submitted to supplement and/or complete the application) are true and correct and not misleading in any material respect.

3. The statements set forth herein are made under penalty of perjury and the following civil penalties: any material misstatement in any Affidavit or certification made in connection with application for or issuance of an MCC due to my negligence shall result in a civil penalty fee payable to the United States Department of the Treasury or the Internal Revenue Service of \$1,000.00; and any such material misstatement due to my fraud shall result in a civil penalty fee payable to the United States Department of the Treasury or the Internal Revenue Service of \$10,000.00. I understand that perjury is a felony offense punishable by fine or imprisonment, or both.

Name(s) of Applicant: _____

Signature(s) of Applicant: _____

STATE OF FLORIDA
BROWARD COUNTY

SUBSCRIBED AND SWORN to before me on this _____ day of _____, 20__.

Notary Public, State of Florida
(typed or Printed Name)
My Commission Expires:

MCC Commitment No: _____

Applicant: _____

Participant: _____

**HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA
2017 MORTGAGE CREDIT CERTIFICATE PROGRAM**

SELLER/BUILDER AFFIDAVIT

The undersigned, the proposed Seller (whether one or more) of a Residence located in the Eligible Loan Area described below (the "Residence") to the above Applicant for which a Mortgage Credit Certificate is being sought under the Housing Finance Authority of Broward County, Florida's ("Authority") 2017 Mortgage Credit Certificate Program, does hereby depose and say, under penalty of perjury, that each of the following statements are true, correct and complete in all respects:

1. Location of Residence. The Residence is located within Broward County, Florida (the "Eligible Loan Area") at: Same as on Closing Disclosure
(Property Address)

2. New Mortgage. At no time prior to the date hereof has there been a mortgage on the Residence (whether in the form of a deed of trust, conditional sales contract, pledge, agreement to hold title in escrow or other form of owner financing) securing a loan to the above Applicant, the proposed purchase of the Residence, other than a construction loan, construction bridge loan or other temporary initial construction financing initially incurred for the sole purpose of acquiring the Residence and initially incurred within 24 months from the date of execution of the loan and having an original term not exceeding 24 months.

3. Acquisition Cost. (a) The Residence is (check one):

_____ a newly constructed Residence which has never been occupied;

_____ or an existing Residence which has been occupied previously;

_____ or incomplete or under construction; or

_____ located on leased land.

The "Acquisition Cost" to the Applicant (as determined in accordance with the Worksheet attached hereto) is \$ Same as on Closing Disclosure. I understand that the term "Acquisition Cost" includes: (a) all amounts paid either in cash or in kind, by the Applicant (or by a related party or for the benefit of the Applicant) to me (or to a related party or for my benefit) as consideration for the Residence; (b) if the Residence is incomplete, the reasonable cost of completing it; and (c) if

the Residence is being purchased subject to a ground lease, the capitalized value of the ground rent. I understand further that "Acquisition Cost" does not include: (i) settlement and financing costs (such as title and transfer fees, title insurance, survey fees, credit reference fees, legal fees, appraisal fees and points paid by the Applicant (but not points paid by me) and other similar costs) but only to the extent that such amounts do not exceed the usual and reasonable settlement and financing costs for a home mortgage loan in this area; or (ii) the value of any services to be performed by the Applicant or the Applicant's family members (include the Applicant's brothers and sisters (whether by whole or half-blood), spouse, ancestors and lineal descendants only) to complete the Residence; or (iii) the cost of the land on which the Residence is located if the Applicant owned such land at least 2 years prior to the commencement of the construction of the Residence.

(b) The Worksheet attached hereto sets forth an accurate calculation of the "Acquisition Cost" of the Residence to the Applicant.

4. Verification. I understand that the above Participant, the Internal Revenue Service, Housing Finance Authority of Broward County, Florida and/or their respective authorized representatives, may conduct investigations in order to verify the truth and completeness of the statements set forth herein. I hereby agree to provide access to such information, including my records pertaining to the Residence, as may be necessary in connection with such verification procedure.

5. Penalty. The statements set forth herein are made under penalty of perjury. I understand that perjury is a felony offense punishable by fine or imprisonment or both.

Name(s) of Seller: _____ Signature(s) of Seller: _____

STATE OF FLORIDA)
BROWARD COUNTY)

SUBSCRIBED AND SWORN to before me on this ___ day of _____, 20__.

Notary Public, State of Florida
(typed or Printed Name)
My Commission Expires:

MCC Commitment No: _____

Applicant: _____

Participant: _____

**HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA
2017 MORTGAGE CREDIT CERTIFICATE PROGRAM**

GSE/INSTITUTIONAL SELLER AFFIDAVIT

The undersigned, the proposed Seller of a Residence located in the Eligible Loan Area described below (the "Residence") to the above Applicant for which a Mortgage Credit Certificate is being sought under the Housing Finance Authority of Broward County, Florida's ("Authority") 2017 Mortgage Credit Certificate Program, does hereby depose and say, under penalty of perjury, that each of the following statements are true, correct and complete in all respects:

1. Location of Residence. The Residence is located within Broward County, Florida (the "Eligible Loan Area") at: Same as on Closing Disclosure
(Property Address)

Acquisition Cost. (a) The Residence is (check one):

- _____ a newly constructed Residence which has never been occupied;
- _____ or an existing Residence which has been occupied previously;
- _____ or incomplete or under construction; or
- _____ located on leased land.

The "Acquisition Cost" to the Applicant is \$ Same as on Closing Disclosure (as determined in accordance with the Worksheet attached hereto). All consideration exchanged between the parties in connection with the purchase and sale of the Residence shall be reflected on the HUD1 settlement statement signed by the parties at the closing of the transaction.

Name(s) of Seller: _____

Signature(s) of Seller: _____

STATE OF FLORIDA)
BROWARD COUNTY)

SUBSCRIBED AND SWORN to before me on this ___ day of _____, 20__.

Notary Public, State of Florida
(typed or Printed Name)
My Commission Expires:

SAMPLE

MCC Commitment No: _____

Applicant: _____

Participant: _____

**HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA
2017 MORTGAGE CREDIT CERTIFICATE PROGRAM**

CERTIFICATE OF PARTICIPANT

I, the undersigned authorized officer of the above Participant, do hereby certify, represent and warrant to the Housing Finance Authority of Broward County, Florida (the "Authority"), that:

1. I have read the Mortgagor Affidavit of the above Applicant, the Program Income Affidavit, and the Closing Affidavit, and, if applicable, the Seller/Builder Affidavit or GSE/Institutional Seller Affidavit and the Notice of Potential Recapture Tax on Sale of Home which were executed in connection with the Mortgage Credit Certificate Application made by the above Applicant and submitted to the Authority. Prior to the execution of such documents, I reviewed the contents thereof with the Applicant, and if applicable, the Seller and the closing agent, respectively.

2. (a) Attached is a true and correct copy of the credit analysis worksheet, or similar document, prepared in connection with the subject loan. The credit analysis worksheet accurately reflects the information the Participant has obtained concerning the gross monthly income of the Applicant, and the Participant has complied with the requirements of the Program Manual in verifying the accuracy of such information.

(b) Based upon the credit analysis worksheet, the additional income, if any, disclosed by the Applicant on the Program Income Affidavit and the Participant's review of the Applicant's federal income tax return, Form W-2 or verification of income from third parties such as employers or state agencies paying unemployment compensation, to the Participant's best knowledge and belief, the Applicant's annualized gross monthly income, when added to the aggregate **annualized gross monthly income of all persons** who intend to reside with the Applicant in the Residence, is \$ **Same as on Closing Disclosure**. The Participant certifies that such amount is within the required limit set forth in the Program Manual and MCC Information Guide

3. The Residence is located within Broward County, Florida.

4. I have conducted or have caused to be conducted an investigation regarding the truth of the facts set forth in such Affidavits, the nature of which investigation is as follows: (DESCRIBE DETAILS OF INVESTIGATION) **DO NOT LEAVE BLANK**

List the type of investigation conducted. If no investigation was done type **NONE**.

5. **NOTE: This Paragraph 5 shall be deleted in its entirety in the case of an Applicant who is (i) acquiring a Residence in a Targeted Area, or (ii) a Qualified Veteran.** The investigation described in paragraph 4 hereof complies with the requirements of the Program Manual, and such investigation included an examination of copies of income tax returns for the past three years provided by the Applicant which were filed with the Internal Revenue Service (or tax account information letters from the Internal Revenue Service covering such years), and the returns or information furnished indicated that during the preceding three years the Applicant did not claim deductions for taxes or interest on indebtedness with respect to the real property constituting a Principal Residence of the Applicant. [In the event that the Applicant was not required to file a federal income tax return for all three of the years preceding the execution of the loan, the Participant must make sure that the Program Income Affidavit executed by the Applicant states that fact.]

6. No facts have come to my attention as a result of such investigation or otherwise which would cause me to disbelieve or doubt the truth of the Mortgagor Affidavit of the above Applicant or the Program Income Affidavit, or, if applicable, the Seller/Builder Affidavit or the Closing Affidavit, or any portion of any of such Affidavits.

7. All terms used herein shall have the respective meanings assigned to them in the Program Manual.

8. The Participant has not originated a loan for the Residence for an employee of the Participant or a person related within the third degree of affinity (marriage) or consanguinity (blood) of said employee.

9. The loan is secured by a valid lien on a Residence, which, to the knowledge of the Participant is occupied by or is to be occupied by the Applicant as his or her Principal Residence, is made in accordance with the Program Manual, and is not for the purpose of refinancing any existing loan on any such property (other than a construction period loan, construction bridge loan, or similar temporary initial construction financing initially incurred for the sole purpose of acquiring the Residence and initially incurred within 24 months of execution of the loan and having an original term not exceeding 24 months).

10. The fees and charges collected by the Participant for the loan are in compliance with the Program Manual. The amounts collected by the Participant to reimburse the Participant for reasonable and customary charges paid or incurred for hazard or mortgage insurance premiums, surveys, title insurance, appraisal fees, abstract and attorneys' fees, recording or registration charges, escrow fees, file preparation fees, application fees, credit reports, and similar charges do not exceed the reasonable and customary amounts charged by the Participant for mortgage loans not made in connection with the Program.

11. To the best knowledge of the Participant, the Applicant has not conveyed the Applicant's right, title or interest to or in the property to any party other than a trust for the benefit of such Applicant and/or members of such Applicant's immediate family.

12. No portion of the financing of the Residence has come from the proceeds of qualified mortgage bonds or qualified veterans' mortgage bonds.

13. The statements set forth herein are made under penalty of perjury. I understand that perjury is a felony offense punishable by fine or imprisonment or both.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 20__.

Participant

By: _____

Name: _____

Title: _____

SAMPLE

MCC Commitment No: _____

Applicant: _____

Participant: _____

**HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA
2017 MORTGAGE CREDIT CERTIFICATE PROGRAM**

LENDING BEST PRACTICES AFFIDAVIT

To help protect consumers from abusive lending practices, the Housing Finance Authority of Broward County, Florida (the "Authority") is promoting anti-predatory lending policies for the loans originated under the Authority's 2017 Mortgage Credit Certificate Program (the "MCC Program"). The Authority identifies and promotes responsible lending practices that help borrowers become successful, long-term homeowners. The Authority is committed to working with responsible Participants serving the needs of borrowers with less-than-perfect credit.

The following is a summary of the Authority's lending guidelines, based on lending guidelines promulgated by Fannie Mae and Freddie Mac, for the MCC Program:

- **Suitability** -- For loans originated under the MCC Program, the Authority expects that borrowers will receive the best mortgage rate available, and commensurate with the borrowers' overall risk profile, at the time of the borrowers' loans.
- **Steering** -- For loans originated under the MCC Program, the Authority expects that Participants will have determined the borrower's ability and willingness to repay the mortgage debt regardless of the underwriting method the Participant uses. In addition, Participants should have practices and procedures to offer mortgage applicants the full range of products for which they qualify, and should specifically avoid the steering of borrowers to high-cost products that are designed for less creditworthy borrowers if the applicants can qualify for lower-cost products. Similarly, consumers who seek financing through a Participant's higher-priced subprime lending channel should be offered (or directed toward) the Participant's standard mortgage product line if they are able to qualify for one of the standard products.
- **Excessive Fees** -- Participants should have their own guidelines and policies that address the fees that originators and brokers can charge a borrower when a mortgage is originated and should apply those policies consistently. For loans originated under the MCC Program, the points and fees charged to a borrower should not exceed 5 percent of the loan amount.
- **Prepaid Single Premium Credit Life Insurance Policies** -- For loans originated under the MCC Program, the Authority will not permit any mortgages for which a prepaid single-premium credit life insurance policy was sold to the borrower in connection with the origination of the mortgage loan, regardless of whether the premium is financed in the mortgage amount or paid from the borrower's funds. This does not apply to credit life insurance policies that require separately identified premium payments on a monthly or annual basis or to prepaid hazard, flood, or mortgage insurance policies.

- Prepayment Penalties -- Fannie Mae will only consider allowing prepayment penalties under the terms of a negotiated contract, and where the Participant adheres to the following criteria: a mortgage that has a prepayment penalty should provide some benefit to the borrower (such as a rate or fee reduction for accepting the prepayment premium); the borrower also should be offered the choice of another mortgage product that does not require payment of such a premium; the terms of the mortgage provision that requires a prepayment penalty should be adequately disclosed to the borrower; the prepayment penalty should not be charged when the mortgage debt is accelerated as the result of the borrower's default in making his or her mortgage payments, and prepayment penalty terms shall not exceed three years.
- Full-file Credit Reporting – The Authority believes that it is important for a borrower's entire payment history to be reported to the credit repositories since that gives a borrower who has a good payment record more opportunities to obtain new financing (and better mortgage terms) when the need arises. Therefore, Participants must report on the status of any MCC loan that they are servicing each month to the credit repositories.
- Servicing Practices -- Servicers maintain escrow deposit accounts for the monthly deposit of funds to pay taxes, ground rents, mortgage insurance premiums, etc. The Authority suggests the use of escrow accounts for borrowers with blemished credit records to protect them from additional risk of default.

By its execution below, the undersigned Participant certifies compliance with the Authority's lending policy described above in connection with the referenced MCC Commitment.

NAME OF PARTICIPANT

By: _____

Name: _____

Title: _____

Date: _____

MCC Commitment No: _____

Applicant: _____

Participant: _____

**HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA
2017 MORTGAGE CREDIT CERTIFICATE PROGRAM
CLOSING AFFIDAVIT**

Information on this form must be the same as on the Closing Disclosure

THE STATE OF FLORIDA)
BROWARD COUNTY)

The undersigned, in connection with the Housing Finance Authority of Broward County, Florida's (the "Authority") 2017 Mortgage Credit Certificate Program, hereby certifies, with respect to the closing of the loan pertaining to the Residence purchased or owned by the above Applicant, that the attached closing statements are true and correct copies of the closing statements prepared and delivered in connection with the following transaction:

SELLER/BUILDER: _____

PURCHASER: _____

LENDER: _____

PROPERTY: _____

FINAL MORTGAGE
LOAN AMOUNT: _____

REFINANCING: _____ NO _____ YES¹

LENDER OR CLOSING AGENT

(Name of Firm)

By: _____

Name: _____

Title: _____

SUBSCRIBED AND SWORN to before me on this ___ day of _____, 20__.

Notary Public, State of Florida
(typed or Printed Name)
My Commission Expires:

¹ For refinancing, the Participant or Closing Agent, as applicable, certifies that \$ _____ is the outstanding balance on the loan associated with the existing MCC.

**HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA
2017 MORTGAGE CREDIT CERTIFICATE PROGRAM**

NOTICE OF POTENTIAL RECAPTURE TAX ON SALE OF HOME
(To be delivered to Applicant at the Time of Settlement of Mortgage Loan)

Because you are receiving a Mortgage Credit Certificate in connection with your mortgage loan, you are receiving the benefit of a credit against your federal income taxes. If you sell or otherwise dispose of your home during the next nine years, this benefit may be recaptured.

The recapture is accomplished by an increase in your federal income tax for the year in which you sell your home. The recapture applies, however, only if you sell your home at a gain and your income increases above specified levels.

You may wish to consult a tax advisor or the local office of the Internal Revenue Service at the time you sell your home to determine the amount, if any, of the recapture tax. Along with this Notice of Potential Recapture, you are being given additional information necessary to calculate the recapture tax.

**NOTICE TO MORTGAGOR OF MAXIMUM RECAPTURE TAX AND OF METHOD TO
COMPUTE RECAPTURE TAX ON SALE OF HOME**

A. Introduction.

1. General. When you sell your home, you may have to pay a recapture tax as calculated below. The recapture tax may also apply if you dispose of your home in some other way. Any references in this Notice of Potential Recapture of the "sale" of your home also include other ways of disposing of your home. For instance, you may owe the recapture tax if you give your home to a relative.

2. Exceptions. In the following situations, no recapture tax is due and you do not need to do the calculations:

- (a) You dispose of your home later than nine years after you close your mortgage loan;
- (b) Your home is disposed of as a result of your death;
- (c) You transfer your home either to your spouse or to your former spouse incident to a divorce and you have no gain or loss included in your income under Section 1041 of the Internal Revenue Code; or
- (d) You dispose of your home at a loss.

B. Maximum Recapture Tax. The Maximum Recapture Tax that you may be required to pay as an addition to your federal income tax is \$ **Do not leave blank**. This amount is 6.25% of

the highest principal amount of your mortgage loan and is your "federally subsidized amount" with respect to the loan.

C. Actual Recapture Tax. The actual recapture tax, if any, can only be determined when you sell your home, and is the lesser of:

- (1) 50% of your gain on the sale of your home, regardless of whether you have to include that gain in your income for federal income taxes, or
- (2) The product obtained by multiplying the following three numbers:
 - (i) \$ **Do not leave blank** (the maximum recapture tax, as described in paragraph B above),
 - (ii) The applicable holding period percentage, as listed in Column 1 in the Table attached, and
 - (iii) The income percentage as described in Paragraph D below.

NOTE TO LENDER: Fill in both blanks above with an amount equal to 6.25% of the mortgage loan.

D. Income Percentage. You calculate the income percentage as follows:

- (i) Subtract the applicable adjusted qualifying income in the taxable year in which you sell your home, as listed in Column 2 in the Table attached, from your modified adjusted gross income in the taxable year in which you sell your home.

Your modified adjusted gross income means your adjusted gross income shown on your federal income tax return for the taxable year in which you sell your home, with the following two adjustments: (a) your adjusted gross income must be increased by the amount of any interest which you receive or accrue in the taxable year from tax exempt bonds that is excluded from your gross income (under Section 103 of the Internal Revenue Code), and (b) your adjusted gross income must be decreased by the amount of any gain included in your gross income by reason of the sale of your home.

- (ii) If the amount calculated in (i) above is zero or less, you owe no recapture tax and do not need to make any more calculations. If it is \$5,000 or more, your income percentage is 100%. If it is greater than zero, but less than \$5,000, it must be divided by \$5,000. This fraction, expressed as a percentage, represents your income percentage. For example, if the fraction is \$1,000/\$5,000, your income percentage is 20%.

TABLE

| Date That You Sell Your Home | (Column 1) Holding Period Percentage | (Column 2) Adjusted Qualifying Income (Family Size 1- 2)*(Family Size 3+)* |
|--|---|---|
| Before the First Anniversary of Closing | 20% | |
| On or After the First Anniversary of Closing, But Before the Second Anniversary of Closing | 40% | |
| On or After the Second Anniversary of Closing, But Before the Third Anniversary of Closing | 60% | |
| On or After the Third Anniversary of Closing, But Before the Fourth Anniversary of Closing | 80% | |
| On or After the Fourth Anniversary of Closing, But Before the Fifth Anniversary of Closing | 100% | |
| On or After the Fifth Anniversary of Closing, But Before the Sixth Anniversary of Closing | 80% | |
| On or After the Sixth Anniversary of Closing, But Before the Seventh Anniversary of Closing | 60% | |
| On or After the Seventh Anniversary of Closing, But Before the Eighth Anniversary of Closing | 40% | |
| On or After the Eighth Anniversary of Closing, But Before the Ninth Anniversary of Closing | 20% | |

*Your family size will be determined based upon the number of persons in your family at the time of sale or other disposition of your Residence.

RECAPTURE TAX EXAMPLES

$$\begin{aligned} \text{Recapture Tax} = & \text{(Federally Subsidized Amount) (6.25\% of Loan Amount)} \\ & \times \\ & \text{(Holding Period Percentage) (Range from 20\% to 100\%)} \\ & \times \\ & \text{(Income Percentage) } \left(\frac{\text{Adjusted Gross Income} - \text{Qualifying Income}}{\$5,000} \right) \end{aligned}$$

Income Percentage May in No Event Exceed 100%

SAMPLE TERMS: \$150,000 Mortgage Loan (30 yrs.)
 4.5% Interest Rate
 \$2,100 Average Annual Tax Credit (first 5 years)
 \$9,375 Maximum Recapture Tax (Federally Subsidized Amount)

If Home is Sold after the 4th anniversary and Borrower's Income has not increased more than Qualifying Limit:

$$\text{NO RECAPTURE TAX DUE -- } [\$9,375] \times [100\%] \times [0 \div 5,000] = 0$$

If Home is sold after 3rd Anniversary and Borrower's Income (Family of 2) is now \$76,000.00:

$$\text{\$1,680 Recapture Tax -- } [(\$9,375) \times (80\%)] \times [(\$76,000 - 74,898) \div 5,000]$$

Compared to approximately \$3,705 in accumulated tax savings over 3-year period.

If Home is Sold after 7th Anniversary and Borrower's Income (Family of 4) is now \$105,000:

$$\text{\$228.75 Recapture Tax -- } [(\$9,375) \times (40\%)] \times [(\$105,000 - 104,695) \div 5,000]$$

Compared to approximately \$8,600 in accumulated tax savings over 7-year period.

If Home is sold after 4th Anniversary and Borrower's Income (Family of 1) is now \$80,000:

$$\text{\$2,544.38 Recapture Tax -- } [(\$9,375) \times (100\%)] \times [(80,000 - 78,643) \div 5,000]$$

Compared to approximately \$4,940 in accumulated tax savings over 4-year period.

IN NO EVENT MAY THE RECAPTURE TAX EXCEED ONE HALF OF THE BORROWER'S GAIN ON THE SALE OF THE RESIDENCE. TAX DOES NOT APPLY ON SALES DUE TO DEATH OF BORROWER. THE ABOVE EXAMPLES ARE ESTIMATES ONLY, YOUR ACTUAL TAX SITUATION MAY VARY.

MCC Commitment No: _____
Applicant: _____
Participant: _____
Original Expiration Date: _____

**HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA
2017 MORTGAGE CREDIT CERTIFICATE**

PROGRAM EXTENSION REQUEST FORM
Must be completed only when necessary

The above Applicant and Participant are hereby requesting a 2-month extension of the MCC Commitment referenced above.

The undersigned Applicant and Participant certify that this is the first Program Extension Request Form submitted concerning the above-referenced MCC Commitment or, if any prior extensions have been granted, attached hereto is a description of the extenuating circumstances necessitating this Request sworn to by the Applicant before a notary public.

DATED: _____

Applicant(s): _____

(Participant)

By: _____
Name: _____
Title: _____

THIS EXTENSION REQUEST FORM MUST BE SUBMITTED RECEIVED BY THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA PRIOR TO THE EXPIRATION DATE OF THE MCC COMMITMENT.

ISSUANCE OF EXTENSION

The above referenced MCC Commitment is hereby extended to _____.

HOUSING FINANCE AUTHORITY OF
BROWARD COUNTY, FLORIDA

By: _____

Name: _____

Title: _____

Date: _____

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA
2017 MORTGAGE CREDIT CERTIFICATE PROGRAM

NOTICE OF DENIAL OF ELIGIBILITY FOR MCC
Must be completed only when necessary

To: _____

Applicant: _____

Soc. Sec. No.: _____

Residence Address: _____

Has an MCC Commitment Letter been issued? Yes No

If Yes, what is the MCC Commitment #: _____

In compliance with the Mortgage Credit Certificate Program Manual, this Notice of Denial of Eligibility for MCC is being provided to the Housing Finance Authority of Broward County, Florida (the "Authority"). The above named Applicant has been determined to be ineligible for the issuance of an MCC under the Authority's 2017 Mortgage Credit Certificate Program (the "Program") for the following reasons [check all that apply]:

- _____ Loan withdrawn by applicant or will not close using an MCC.
- _____ Applicant's current ANNUALIZED GROSS MONTHLY INCOME exceeds the Program income limits.
- _____ The ACQUISITION COST of the Residence exceeds the applicable Program limits.
- _____ Applicant does not meet the FIRST-TIME HOMEBUYER requirement or an exception thereto.
- _____ Applicant's mortgage will be funded from a QUALIFIED MORTGAGE BOND or a QUALIFIED VETERANS' MORTGAGE BOND program.
- _____ The loan proceeds will be used to REPLACE AN EXISTING MORTGAGE (other than a construction period loan or bridge loan or similar temporary financing on the Residence).

_____ The SIZE OF THE PROPERTY is greater than the normal and usual size of a lot in the area and in excess of that necessary for the basic livability of the Residence.

_____ Applicant intends to derive INCOME FROM THE REAL ESTATE associated with the Residence.

This information is being tendered to the Authority for the sole purpose of compliance with the Program Manual and is not to be used for any other purpose.

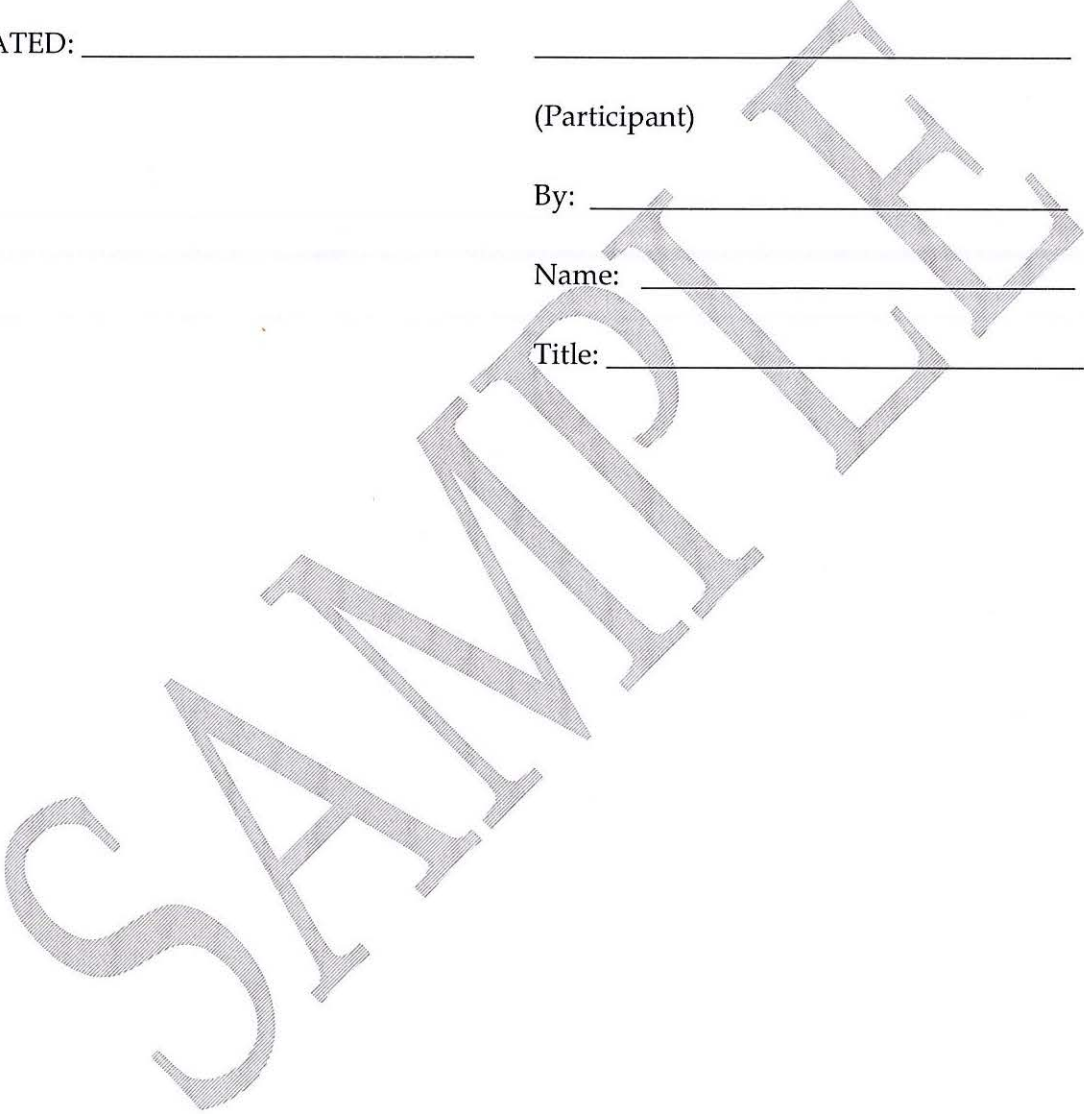
DATED: _____

(Participant)

By: _____

Name: _____

Title: _____



Name of Applicant: _____

Social Security No: _____

Reference No: _____

**HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA
2017 MORTGAGE CREDIT CERTIFICATE PROGRAM
AFFIDAVIT OF COSIGNOR/GUARANTOR**

Must be completed only when necessary

**THERE ARE IMPORTANT LEGAL CONSEQUENCES TO THIS LEGAL AFFIDAVIT.
READ IT CAREFULLY BEFORE SIGNING.**

THE STATE OF _____)
COUNTY OF _____)

I, the undersigned, an obligor on a note (the "Note") made in connection with a mortgage loan (the "Mortgage Loan") in the amount of \$ _____ from _____ the ("Participant") under the Housing Finance Authority of Broward County, Florida's 2017 Mortgage Credit Certificate Program, hereby certify that I am executing the Note solely for purposes of providing additional security for the Mortgage Loan.

I further certify that I have no other financial or ownership interest in the property subject to the Mortgage Loan and I have no intention to and will not occupy the property subject to the Mortgage Loan as a permanent residence.

The statements set forth herein are made under penalty of perjury. I understand that perjury is a felony punishable by fine or imprisonment or both.

Cosigner/Guarantor

Date

THE STATE OF _____)
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me on this __ day of _____, 20__.

Notary Public, State of Florida
(typed or Printed Name)
My Commission Expires:

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA
2017 MORTGAGE CREDIT CERTIFICATE PROGRAM
REFINANCING OF MCC LOAN APPLICATION
(REQUEST FOR NEW MCC)

Must be completed only when necessary

Borrower(s): _____

Residence Address: _____

MCC Commitment Number: _____

Balance Owed on Original Loan: \$ _____

New Loan Amount: \$ _____

Original Loan Amount: \$ _____

Refinanced Loan Maturity: _____

Closing Date of Refinancing: _____

Participant: _____

Participant Loan Reference: _____

Attachments: Original Mortgage Credit Certificate (keep a copy for your files).

Copy of closing statement

MCC Reissuance Fee - \$50.00

The undersigned borrower (whether one or more), being the owner(s) of the above residence (the "Residence"), and the holder of a Mortgage Credit Certificate (the "MCC") issued in connection with the Housing Finance Authority of Broward County, Florida's 2017 Mortgage Credit Certificate Program, does hereby depose and say, under penalty of perjury and the civil penalties outlined herein, that each of the following statements are, correct and complete in all respects:

1. **Property.** The refinanced loan pertains to the same property to which the original MCC related, which is the Residence described above.

2. **Replacement of Entire MCC.** The new MCC replaces the original MCC in its entirety. No portion of the original MCC is being retained with respect to any portion of the outstanding balance of the original loan amount specified on the original MCC.

3. **Loan Amount.** The refinanced loan amount does not exceed the outstanding balance of the original mortgage loan as of the date of the refinancing. (You may not refinance points, insurance premiums, taxes or other closing costs as part of your new loan amount unless permitted by federal law or regulation.)

4. **MCC Credit Rate.** The new MCC will be at the same credit rate as the original MCC.

5. **No Increase in Tax Credit Amounts.** The undersigned acknowledges that in the event the maturity of the refinanced loan is a date later than the maturity of the original loan, the new MCC will expire as of the original maturity date so that there shall be no increase in the tax credit amounts under the new MCC for any tax year over the amounts which would have been available under the original MCC.

6. **Date of Refinancing.** The date of the refinancing stated above is the true and correct date the refinancing documents were executed.

7. **Reaffirmation of the Original Obligations.** The undersigned further reaffirms all of the representations, obligations and agreements covered under the documents signed in connection with obtaining the original MCC and acknowledges that all such obligations and agreements shall continue in full force and effect in connection with the new MCC.

8. **Revocation of Mortgage Credit Certificate.** The undersigned understands that if any of the statements set forth herein are not true, correct and complete in all respects, or that if federal law or regulations disqualify further participation in the MCC Program, the MCC may be immediately revoked.

9. **Penalty.** The statements set forth herein are made under penalty of perjury and the following civil penalties. Any material misstatement in any affidavit or certification made in connection with application for or issuance of an MCC due to my negligence shall result in a civil penalty fee payable to the United States Department of the Treasury or the Internal Revenue Service of \$1,000.00, and any such material misstatement due to my fraud shall result in a civil penalty fee payable to the United States Department of the Treasury or the Internal Revenue Service of \$10,000.00. I understand that perjury is a felony offense punishable by fine or imprisonment, or both.

Signature(s) of Borrower:

THE STATE OF _____)
COUNTY OF _____)

SUBSCRIBED AND SWORN to before me on this ___ day of _____, 20__.

Notary Public, State of Florida
(typed or Printed Name)
My Commission Expires:

ATTACH THE ORIGINAL MCC CERTIFICATE AND A COPY OF YOUR CLOSING STATEMENT TO THIS FORM AND MAIL TO:

Housing Finance Authority of Broward County, Florida
110 N.E. 3rd Street, Suite 300
Ft. Lauderdale, FL 33301
Attention: _____

SAMPLE

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA
2017 MORTGAGE CREDIT CERTIFICATE PROGRAM
SUPPLEMENTAL INSTRUCTIONS FOR COMPLETING IRS FORM W-4

The MCC tax credit, at ___% (subject to periodic adjustment), is very similar to the credit which may be taken for child or dependent care expenses which ranges from 20% to 30% depending upon income. Although a separate line on the W-4 form is not provided for the MCC credit, you may use line F for this purpose.

If you anticipate at least \$1,500.00 of mortgage interest during the year, you may enter "1" on line F. If you anticipate paying more than \$3,000.00 in mortgage interest during the year, you may enter "2" on line F. If you additionally have child or dependent care expenses that would entitle you to a tax credit, the number should be adjusted accordingly.

The following example shows how you might calculate the amount of mortgage interest you will pay during the year:

| | |
|--|--------------|
| Mortgage balance at beginning of year: | \$150,000.00 |
| Interest rate on mortgage loan: | 4.50% |
| Estimated annual interest paid: | \$6,700.00 |
| Mortgage Term: | 30 Years |

The actual amount of interest paid will be somewhat smaller because with each monthly payment your mortgage balance normally decreased during the year.

If you have more than one wage earner in your family (e.g., both spouses are employed), be careful not to claim too many allowances by putting the maximum number on both workers' W-4 forms. Dual income families normally need to reduce the number of allowances taken to avoid having to pay penalties when their annual tax return is filed.

If you wish to calculate the additional amount of mortgage interest you might be able to take as an itemized deduction, follow the instructions on the back of the W-4 Form. On line 1, be sure to subtract an amount equal to ___% of your mortgage interest (depending on the credit amount of your certificate) from the total amount of mortgage interest which you have calculated for deduction purposes. (Federal law requires subtracting an amount equal to the MCC tax credit claimed from the amount of the home mortgage interest to be deducted.)

This IRS Form W-4 is to be filed with the payroll clerk where you work. You do not send the W-4 form to the Internal Revenue Service. If you have any questions concerning completion of the form, your payroll clerk should be able to assist you.

Failure to revise your IRS Form W-4 to reflect the MCC tax credit will have no effect on your ability to claim the deduction with your annual tax return. When you file your annual IRS Form 1040, you will need to claim the MCC tax credit in the space provided. You will also need to complete IRS Form 8396 and file it with your tax return.

These instructions are for your information only. The Housing Finance Authority of Broward County, Florida and its officers and agents do not intend to render any income tax advice in connection with this MCC program. All MCC holders or applicants should consult with the Internal Revenue Service or their personal income tax advisers concerning the appropriate level of withholding allowance given their personal tax situations.