



## **Capital Area HFC- MCC instructions**

You may send a complete application if all pages are signed.

Incomplete documents will not be accepted. A resubmission fee of \$25 may be assessed.

Original documents are not required; scanned or faxed is acceptable.

### **STEP One Part 1: Documents for Submission**

Lender to complete application. The applicant(s) are to sign two pages. (e-signatures are acceptable)

**Doc. #3** MCC Submission coversheet

**Doc. #1** Affidavit of Applicant

Worksheets 1-4 & **Certification of Zero Income (if applicable)**

Tax Certificate

SETH Home buyer's Education Certificate. <http://sethfc.com/homebuyer-education/>

**Doc. # 5** Tax Return Affidavit + last 3 years signed & complete tax returns or transcripts & W-2's.

**Doc. #7** Certificate of Lender (signed by Lender)

**Doc. #9** Notice of Potential Recapture tax.

### **STEP TWO Part 2: Closing Document(s) to the Title Company**

**Doc. #3** MCC submission coversheet (with any revisions) except property address

**Doc. #4** Reaffirmation of Applicant

**Doc. #6** Affidavit of Seller

**Doc. #8** Closing Affidavit (signed by Lender)

**MCC fee has been waived. Please scan all documents to [p.constance@sethfc.com](mailto:p.constance@sethfc.com).**

### **STATUS CHANGE DOCUMENTS**

**Doc #10** Extension Request Form

**Doc #11** Notice of Denial of Eligibility

**Doc #12** MCC Reissuance Application

All of the above is returned to SETH within 15 days after Funding with the executed Closing Disclosure Notice. If deadline is not met, a possible \$75 late fee may be assessed.

As a reminder, all MCC submissions must be within the counties of **Bastrop, Blanco, Burnet, Caldwell, Fayette, Hays, Lee, Llano and Williamson, Texas.**

If you have any further questions, please feel free to contact me.

Thank you,

Phyllis Constance- [p.constance@sethfc.com](mailto:p.constance@sethfc.com)

Program Administrator SETHFC/ MCC Administrator

11111 S. Sam Houston Parkway East

Houston, TX 77089

281-484-4663 ext 111 (toll free 866-398-1263)

fax 832-379-2518 or 281-484-1971.

MCC Comm.# \_\_\_\_\_  
 Commitment Date: \_\_\_\_\_  
 Expiration Date: \_\_\_\_\_  
 [For Administrative Use Only]

**DOCUMENT 1**

Applicant 1: \_\_\_\_\_  
 Applicant 2: \_\_\_\_\_  
 Annualized Gross  
     Income: \$ \_\_\_\_\_  
     Family Size: \_\_\_\_\_  
 Subject Property \_\_\_\_\_  
     Address: \_\_\_\_\_ TX \_\_\_\_\_  
     Construction: New \_\_\_\_\_ Existing \_\_\_\_\_  
     Targeted Area: Yes \_\_\_\_\_ No \_\_\_\_\_  
 Acquisition Cost: \$ \_\_\_\_\_  
     Loan Amount: \$ \_\_\_\_\_  
     Census Tract #: \_\_\_\_\_  
     Lender: \_\_\_\_\_  
     Contact: \_\_\_\_\_  
     Telephone: \_\_\_\_\_

**AFFIDAVIT OF APPLICANT**

THE STATE OF TEXAS           §  
 COUNTY OF \_\_\_\_\_ §

The undersigned Applicant (whether one or more) under The Capital Area Housing Finance Corporation's (the "*Corporation*") 2017 Mortgage Credit Certificate Program (the "*Program*"), the buyer(s) or owner(s) of the Residence listed above within the geographical area with the limits of the Counties of Bastrop, Burnet, Caldwell, Fayette, Hays, Lee, Llano and Williamson, Texas (the "*Residence*"), promises, under penalty of perjury and the penalties listed here, that each of the following statements are true, correct and complete:

1. *Income.* (a) My anticipated annual family income is \$ \_\_\_\_\_. [See Worksheet One attached to this certificate.]

b) My adjusted gross income for the last year, when added to the adjusted gross income of all persons who intend to live with me in the Residence, is \$ \_\_\_\_\_. [See Worksheet Two attached to this certificate.]

(c) I agree to furnish true copies of the federal income tax returns (with W-2s attached) that were signed and filed with the Internal Revenue Service for the past three years, including the most recent year, for myself and all persons who will live with me in the Residence and who will be liable on the loan. *If the Residence is located in a Targeted Area, only tax returns for the year most recently ended need to be provided.*

I authorize the Lender listed above to review the returns to verify the statements I make here, and I authorize The Southeast Texas Housing Finance Corporation (the "*Administrator*"), the Program Manager, the Lender listed above, the Corporation and their agents to review the returns as may be necessary to process my application for a Mortgage Credit Certificate ("*MCC*") under the Program.

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2. *Family Size.* The total number of my family members who will live with me in the Residence, plus any other persons who are not part of my family but who will live with me in the Residence, is \_\_\_\_\_.

3. *Location of Residence.* The Residence is located at the address listed above, which is within the geographical area with the limits of the Counties of Bastrop, Blanco, Burnet, Caldwell, Fayette, Hays, Lee, Llano and Williamson, Texas.

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

\_\_\_\_\_ a new single family residence that has never been lived in; or

\_\_\_\_\_ a single family residence that has been lived in before.

The "Cost" of the Residence to me (as calculated on Worksheet Three attached to this affidavit) is \$ \_\_\_\_\_. "Cost" includes:

(i) everything that I paid or that someone else paid for me, either in cash or in kind, for the Residence;

(ii) if the Residence is not finished, the reasonable cost to finish it, whether or not the cost to finish the Residence is covered by the amount I borrowed to buy the Residence; and

(iii) if the Residence sits on leased ground, the value of the ground lease.

I understand that "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, points paid by me, credit report fees, FHA insurance premiums, hazard or flood insurance premiums, abstract fees, tax service fees, recording or registration fees, escrow fees, file preparation fees and other similar costs);

(ii) the value of any services performed by me or my family members in completing the Residence;

(iii) the cost of the land the Residence sits on, if I owned the land for at least two years before the Residence was built;

(iv) amounts that I paid or that someone paid for me to the Seller or for the Seller of the Residence for property that is not a "fixture" (permanently attached to the land or to the Residence); and

(v) amounts that I paid or that someone paid for me or that the Seller of the Residence paid or that someone paid for the Seller for painting, minor repairs, floor refinishing or other fix-up expenses.

(b) Worksheet Three attached to this certificate is an accurate calculation of the "Cost" of the Residence.

5. *Principal Residence.* (a) I intend to live in the Residence within a reasonable time (not to exceed 60 days) after closing of the Mortgage. The Residence will be my "Principal Residence". I

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understand that “*Principal Residence*” means the home where I live and which is used primarily as a residence (not as a business). Whether the Residence is my Principal Residence depends on my particular circumstances, including my good-faith intention to make the Residence my Principal Residence. I understand that a “Principal Residence” does not include a home used that is rented to someone else or a vacation home or a home that is used primarily in a trade or business. If 15 percent or more of a home is used in a trade or business, the home is considered used primarily in a trade or business. I agree to notify the Lender and the Administrator immediately if the Residence stops being my Principal Residence.

(b) If any part of my home is used in my trade or business, I agree that I will not claim any deductions on my income tax return for such use.

6. *Prior Ownership of a Residence.* (a) I have not owned a “Principal Residence” at any time during the last three years. I understand that “Principal Residence” means the same thing that it did in the paragraph above. I understand that owning a “Principal Residence” could include the following types of arrangements:

- (i) direct ownership;
- (ii) ownership along with someone else;
- (iii) an agreement that once a certain number of payments of a set amount were made, I would own the residence; and
- (iv) any other arrangements that would give me ownership in the future.

(b) Worksheet Four attached to this certificate is a correct list of the places I have lived during the past three (3) years.

(c) I have not claimed any deductions on my income tax returns during the last three years for real property taxes or interest on a home.

(d) The Residence is located in a Non-Targeted Area. [Cross out if not correct.]

7. *New Mortgage.* The Mortgage on the Residence will not be used to repay a mortgage that I owed on the Residence or that I co-signed. I have never had a mortgage on the Residence (except for a temporary construction loan within 24 months from the date of this affidavit if the Residence was recently built).

If the proceeds of the Mortgage will be used to replace a construction loan, describe the loan in the space below. Be specific about the lender, the purpose and the term of the loan.

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8. *Prohibited Mortgages.* No portion of the financing for the Residence may come from the proceeds of qualified mortgage bonds or qualified veterans’ mortgage bonds.

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9. *Size of Property; Income from Property.* The lot that the Residence sits on is not larger than the normal size of lots in the area. I do not expect to make any money from the lot that the Residence sits on, such as by selling or leasing a portion of the lot.

10. *Other Owners of Residence.* Once I buy the Residence, no one will own any part of the Residence who has not signed this affidavit or another affidavit like this one.

11. *Verification.* I understand that the Lender, the Administrator, the Internal Revenue Service, the Corporation or their authorized representatives will check to make sure that my statements in this affidavit are true and complete. I agree to allow the Lender, the Administrator, the Internal Revenue Service, the Corporation and their authorized representatives access to any information, including all closing statements and forms, including my past income tax returns, the checks from my bank or other proof that I paid my rent, utility bills, work records, etc., that may be needed to check the information I have provided. I will authorize others, such as my bank or my employer, to provide the information required to confirm the statements that I have made.

12. *Program Information.* I have been furnished a copy of the MCC Information Guide and am familiar with and understand the provisions of the Program.

13. *No Other Certificate.* I have not previously received a Mortgage Credit Certificate under the Program.

14. *Lender.* I have not been required to use any particular lender to finance the purchase of the Residence in order to qualify for the Mortgage Credit Certificate Program.

15. *Transfer or Assumption.* I understand that the Mortgage Credit Certificate may not be transferred unless the Corporation, through the Administrator, issues a new Mortgage Credit Certificate. If I ever want to transfer my Mortgage Credit Certificate under the transfer provisions of the Program, the person to whom my Mortgage Credit Certificate is transferred must qualify as an Applicant and must meet all of the requirements for a Mortgage Credit Certificate that are in place at the time the new certificate is to be issued.

16. *Interest to Related Persons.* No portion of the Mortgage has been made by or will be repaid to a person who is related to me.

17. *Possible Interest Recapture.* I understand, acknowledge, and agree that if I dispose of (for example, by sale) the Residence within nine (9) years from the date that the mortgage loan is originated, the Internal Revenue Service may levy a tax on me upon such disposition up to the lesser of (i) six and one-quarter percent (6.25%) of the loan amount or (ii) fifty percent (50%) of the amount of gain that I realize upon the disposition, depending upon my income level, the amount of the loan, and the number of years I hold the Residence. I further acknowledge that I have received and read the preliminary notice of potential recapture tax that describes the potential interest recapture in detail and that was provided to me by the lending institution that is providing the financing for my purchase of the Residence.

18. *Penalty.* These statements are *made under penalty of perjury*. I understand that *any material misstatement in this or any affidavit or certification* made in connection with application for or issuance of a MCC because I was negligent will result in a civil penalty of \$1,000, *revocation of any MCC issued in connection with the application* and any criminal penalty that may apply. Any material misstatement due to my fraud will result in a civil penalty of \$10,000, *revocation of any MCC issued in connection with the application* and any criminal penalty that may apply. I understand that perjury is a felony. A person who is convicted of perjury can be punished with a fine, imprisonment or both.

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19. *Attachments.* All documents attached to this affidavit and marked as attachments are part of this affidavit and are true and correct and not misleading.

NAME(S) OF APPLICANT:

SIGNATURE(S) OF APPLICANT:

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**WORKSHEET ONE**
**ANTICIPATED ANNUAL FAMILY INCOME**

 REQUIRED TO COMPLY WITH FEDERAL INCOME TAX LAWS  
 RELATING TO THE MCC PROGRAM

1. The names, relationships, ages and taxpayer identification numbers of all persons intending to reside in the Residence are as follows:

NAMES	RELATIONSHIP TO APPLICANT	AGES	TAXPAYER ID #
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

2. The name and address of the employer(s) of each of the above persons who is 18 years of age or older and who will be liable on the mortgage loan and his/her monthly gross income\* is as follows (income from both spouses should be included even if only one spouse is liable on the loan):

FIRST NAME (FROM ABOVE)	EMPLOYER NAME AND ADDRESS	MONTHLY GROSS INCOME
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Total Monthly Gross Income \_\_\_\_\_

**x 12 =**

Anticipated Annual Family Income \_\_\_\_\_

\* "Monthly gross income" includes all amounts that I receive or expect to receive, whether or not I receive that amount on a regular basis. See listing for examples of the types of amounts to be included.

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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, Department of Veterans Affairs (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.

3. The Anticipated Annual Family Income for all of the above persons [the total monthly gross income from Section 2 above multiplied by twelve] is \$ \_\_\_\_\_. [Insert this figure in the blank in Section 1(a) of the Affidavit of Applicant.]

4. I acknowledge that all of the above information is important to the issuance of a mortgage credit certificate. I agree to allow my employer or any other person with knowledge about my income to provide the information to The Southeast Texas Housing Finance Corporation and its authorized agents and any authorized agent of the Treasury Department or the Internal Revenue Service.

Date: \_\_\_\_\_

Applicant Name: \_\_\_\_\_

Applicant Name: \_\_\_\_\_





## CERTIFICATION OF NO INCOME

All income must be verified for anyone receiving assistance. To comply with this requirement, please complete and sign the information requested in the certification below. This information will be held in the strict confidence and used only for the purpose of establishing eligibility for the MCC program.

I, \_\_\_\_\_, do hereby certify that I do NOT receive any income from ANY source.

I understand sources of income include, but are not limited to, the following:

Employment by a Company or Individual	Retirement Funds
Unemployment Compensation	Alimony
Social Security income	Income from Assets
Workers Compensation	Pensions
Child Support	General Assistance
Education Grants/Work Study	Disability
Self- Employment	Union Benefits
Aid to Families with Dependent Children	Family Support
Annuities	

I certify that the foregoing is true, complete and correct. I consent to the making of any reasonable inquiries to verify the statements herein. I also understand that false statements or omissions are grounds for disqualification and/or prosecution under the full extent of the law.

This signature signifies that I receive NO INCOME from ANY SOURCE.

Date: \_\_\_\_\_

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature

**WORKSHEET TWO****LAST YEAR'S ADJUSTED GROSS INCOME**REQUIRED TO COMPLY WITH TEXAS LAW AND POLICIES OF  
THE CORPORATION RELATING TO THE MCC PROGRAM

1. My adjusted gross income (from the appropriate line of IRS Form 1040, IRS Form 1040A, or IRS Form 1040EZ) for the most recent tax year was: \$ \_\_\_\_\_
2. The total adjusted gross income of each person who is expected to live with me in the Residence for the most recent tax year was: \$ \_\_\_\_\_
3. Total Adjusted Gross Income (Total of 1 and 2) [*Insert this figure in the blank in Section 1(b) of the Affidavit of Applicant*]: \$ \_\_\_\_\_

**WORKSHEET THREE****COST OF RESIDENCE**

1. Amount I paid to the Seller for the Residence either with cash or some other kind of payment (including any amount the Seller is required to pay as a real estate commission or loan discount points): \$ \_\_\_\_\_
2. Any other extra amount not listed in paragraph 1 that I paid or that someone else paid for me to the Seller or for the Seller for the Residence either with cash or some other kind of payment: \$ \_\_\_\_\_
3. If the Residence is not finished, the estimated cost of finishing it, including the cost of any necessary alterations or improvements. Does not include the value of service that I or members of my family will perform in finishing the Residence. \$ \_\_\_\_\_  
  
(Describe any alterations or improvements.)  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_
4. If the Residence sits on leased land, the value of the lease at the time of purchase of the Residence (using a discount rate equal to the interest rate borne by the Loan). \$ \_\_\_\_\_
5. Total Cost of the Residence (Total of 1, 2, 3 and 4) [INSERT THIS FIGURE IN PARAGRAPH 4 OF THE AFFIDAVIT OF APPLICANT]: \$ \_\_\_\_\_

**WORKSHEET FOUR****Prior Residences**

*[NOT REQUIRED, FOR RESIDENCE LOCATED IN A TARGETED AREA]*

During the last three (3) years I have either:

(1) Rented at the following addresses for the following periods of time:

Address: \_\_\_\_\_  
City: \_\_\_\_\_  
Phone No.: \_\_\_\_\_  
(include area code)

Landlord: \_\_\_\_\_  
From: \_\_\_\_\_  
To: \_\_\_\_\_

Address: \_\_\_\_\_  
City: \_\_\_\_\_  
Phone No.: \_\_\_\_\_  
(include area code)

Landlord: \_\_\_\_\_  
From: \_\_\_\_\_  
To: \_\_\_\_\_

Address: \_\_\_\_\_  
City: \_\_\_\_\_  
Phone No.: \_\_\_\_\_  
(include area code)

Landlord: \_\_\_\_\_  
From: \_\_\_\_\_  
To: \_\_\_\_\_

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

(2) Lived with the following members of my family (without owning a "Principal Residence"\*) at the following addresses for the following periods of time:

Names: \_\_\_\_\_  
Relationship: \_\_\_\_\_  
Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_  
Phone No.: (include area code) \_\_\_\_\_  
From: \_\_\_\_\_ (Mo/Yr) To: \_\_\_\_\_ (Mo/Yr)

Names: \_\_\_\_\_  
Relationship: \_\_\_\_\_  
Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_  
Phone No.: (include area code) \_\_\_\_\_  
From: \_\_\_\_\_ (Mo/Yr) To: \_\_\_\_\_ (Mo/Yr)



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Names: \_\_\_\_\_  
Relationship: \_\_\_\_\_  
Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_  
Phone No.: (include area code) \_\_\_\_\_  
From: \_\_\_\_\_ (Mo/Yr) To: \_\_\_\_\_ (Mo/Yr)

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

\*I understand that "Principal Residence" means a home that is used primarily to live in. Whether the Residence is my Principal Residence depends upon my particular circumstances, including my good faith intention to make it my Principal Residence.

(3) Lived under some other arrangement not described in (1) or (2) above without owning a "Principal Residence" at the following addresses for the following periods of time (describe the arrangements and give the names, addresses, and telephone numbers of persons who can be contacted to verify arrangements):

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**DOCUMENT 2****PRELIMINARY NOTICE OF POTENTIAL RECAPTURE TAX**

(TO BE DELIVERED BY LENDER AT MORTGAGE LOAN APPLICATION)

Because you are receiving a mortgage credit certificate with your mortgage loan, you are receiving the benefit of a credit against your federal income tax. 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 only applies, however, if you sell your home at a gain and if 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. Within the next 90 days, you will be given additional information that will be needed to calculate the recapture tax.

**DOCUMENT 3 - MCC SUBMISSION COVER SHEET**

ALL BLANKS MUST BE COMPLETED OR THE DOCUMENTATION MAY BE REJECTED BY THE PROGRAM ADMINISTRATOR AND LENDER MAY BE SUBJECT TO A RESUBMISSION FEE.

Lender Contact: \_\_\_\_\_  
 Email: \_\_\_\_\_  
 Telephone: \_\_\_\_\_  
 Fax: \_\_\_\_\_  
 Business Manager: \_\_\_\_\_

Applicant: \_\_\_\_\_  
 Taxpayer ID#: \_\_\_\_\_  
 Subject Property Address: \_\_\_\_\_  
 City: \_\_\_\_\_ TX Zip Code: \_\_\_\_\_  
 Subject Property Subdivision: \_\_\_\_\_ Builder (if New Construction): \_\_\_\_\_  
 Subject Property County: \_\_\_\_\_  
 Targeted Area: \_\_\_\_\_ Yes \_\_\_\_\_ No  
 MCC Commitment Number: \_\_\_\_\_  
 Loan Type: FHA \_\_\_\_\_ V VA \_\_\_\_\_ Conv \_\_\_\_\_  
 Loan Amount: \$ \_\_\_\_\_  
 Interest Rate on Loan: \_\_\_\_\_ %  
 Lender (Contact & Phone): \_\_\_\_\_  
 Lender Loan Reference Number: \_\_\_\_\_  
 Anticipated Annual Family Income: \$ \_\_\_\_\_  
 Family Size: \_\_\_\_\_ Ethnicity of Borrower (Optional): \_\_\_\_\_  
 Applicable Acquisition Cost Limit: \_\_\_\_\_

Census Tract #: \_\_\_\_\_  
 Closing Date: \_\_\_\_\_  
 First Time Homebuyer: Yes \_\_\_\_\_ No \_\_\_\_\_  
 Loan Maturity (Months): \_\_\_\_\_  
 Acquisition Cost: \$ \_\_\_\_\_  
 L/O Email: \_\_\_\_\_  
 Prior Year's Adjusted Gross Income: \$ \_\_\_\_\_  
 Type of Residence: New \_\_\_\_\_ Existing \_\_\_\_\_  
 \_\_\_\_\_ \$350,871 (Non-Targeted Area)  
 \_\_\_\_\_ 428,842 Hays Targeted Area  
 (Targeted Area)  
 \_\_\_\_\_ \$283,348 Non-targeted other areas  
 \_\_\_\_\_ 3346,315 (Targeted Other areas)

**Documents Submitted: MCC COMMITMENT (STEP ONE):**

**Step** \_\_\_\_\_ Affidavit of Applicant - Worksheets One through Four attached)  
**One** \_\_\_\_\_ Preliminary Notice of Potential Recapture Tax  
 \_\_\_\_\_ Tax Certificate  
 \_\_\_\_\_ Last 3 year complete signed Tax Returns with W-2's or transcripts  
 \_\_\_\_\_ MCC Submission Cover Sheet  
 \_\_\_\_\_ Tax Return Affidavit  
 \_\_\_\_\_ Certificate of Lender  
 \_\_\_\_\_ Notice Of Potential Recapture Tax  
 \_\_\_\_\_ SETH Homebuyer's Education Certificate

**Step** \_\_\_\_\_  
**Two** \_\_\_\_\_ Reaffirmation of Applicant  
 \_\_\_\_\_ Affidavit of Seller  
 \_\_\_\_\_ Closing Affidavit (with signed Closing Disclosure)

**FOR REISSUANCE OF MCC UPON REFINANCING:**

\_\_\_\_\_ Closing Affidavit (with signed Closing Disclosure notice)

As applicable, the following fee of \$ **Zero ( Fee Waived)** must be submitted with the MCC Submission Package which is payable by Title Company and /or Lender check or money order payable to Capital Area HFC- % SETHFC.

\_\_\_\_\_ [\$25] MCC Resubmission Fee \_\_\_\_\_ [\$325] Assumption or Refinancing Fee  
 \_\_\_\_\_ [\$50] MCC Extension Fee \_\_\_\_\_ [\$75] Late Fee

**ALL DOCUMENTS MUST BE SIGNED ORIGINALS OR BE CERTIFIED TRUE AND CORRECT.**

LENDER AGREES TO PROVIDE  
 INFORMATION TO BE REPORTED UNDER  
 THE FEDERAL HOME MORTGAGE  
 DISCLOSURE ACT AS REQUIRED BY  
 SECTION 394.027 OF THE ACT

**DOCUMENT 4**

MCC Comm.# \_\_\_\_\_  
[For Administrative Use Only]

Applicant 1: \_\_\_\_\_  
Applicant 2: \_\_\_\_\_  
Loan Amount: \$ \_\_\_\_\_  
Lender: \_\_\_\_\_  
Contact: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Subject Property \_\_\_\_\_  
Address: \_\_\_\_\_ TX \_\_\_\_\_  
Targeted Area: Yes \_\_\_\_\_ No \_\_\_\_\_

**REAFFIRMATION OF APPLICANT****(TO BE EXECUTED AT THE TIME OF CLOSING)**

THE STATE OF TEXAS           §  
   §  
COUNTY OF \_\_\_\_\_ §

I hereby reaffirm that the statements and information contained in the Affidavit of Applicant which I executed in connection with The Capital Area Housing Finance Corporation 2017 Mortgage Credit Certificate Program on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, including, without limitation, the computation of the Acquisition Cost of the Residence and the computation of Anticipated Annual Family Income, were true, accurate and complete when made and remain true, accurate, complete

and unchanged.\*

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Applicant's Printed Name

\_\_\_\_\_  
Applicant's Printed Name

\_\_\_\_\_  
Applicant's Taxpayer Identification Number

\_\_\_\_\_  
Applicant's Taxpayer Identification Number

\* If the Acquisition Cost of the Residence or the Applicant's Anticipated Annual Family Income have changed, the Lender must have the Applicant re-execute the Affidavit of Applicant.



**DOCUMENT 5**

MCC Comm.# \_\_\_\_\_  
[For Administrative Use Only]

Applicant 1: \_\_\_\_\_  
Applicant 2: \_\_\_\_\_  
Lender: \_\_\_\_\_  
Contact: \_\_\_\_\_  
Telephone: \_\_\_\_\_

**TAX RETURN AFFIDAVIT**

THE STATE OF TEXAS           §  
COUNTY OF \_\_\_\_\_ §

I (the “*Applicant*” or “*Applicants*”), the undersigned, promise, UNDER PENALTY OF PERJURY, and the penalties listed here, that each of the following statements about my tax returns are true, correct and complete.

1. *Tax Returns Attached.* The following information is correct for all persons intending to live with me in the Residence described on the Affidavit of Applicant:

CHECK WHICH APPLIES:

\_\_\_\_\_ The original tax account information letter from the Internal Revenue Service verifying the type of return I filed, my filing status and my adjusted gross income for the year most recently ended is attached. [The original tax account information letter may be used instead of furnishing copies of tax returns for persons who filed their Form 1040A or 1040EZ tax returns].

\_\_\_\_\_ A true copy of each federal income tax return for the prior 3 years are attached. If the Residence is located in a Targeted Area, a true copy of the federal income tax return for the year most recently ended is attached.

2.\* *Tax Return Not Required.* I was not required by law to file a federal income tax return for the following year(s) and reason(s) stated below (please check the appropriate box):

	YEAR	REASON
<input type="checkbox"/>	20__	_____
		_____

\* Applies only if the Applicant was *not* required by law to file federal income tax returns for any of the preceding three years.

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<input type="checkbox"/>	20__	_____
<input type="checkbox"/>	20__	_____

3. [Reserved]

4. *Material Misstatements and Penalties.* I understand that this Affidavit will be relied upon to determine my eligibility for a Mortgage Credit Certificate. I understand that any material misstatement in this or any affidavit or certification made in connection with application for or issuance of a Mortgage Credit Certificate because I was negligent will result in a civil penalty of \$1,000, revocation of any MCC issued in connection with the application and any criminal penalty that may apply. Any material misstatement due to my fraud will result in a civil penalty of \$10,000, revocation of any MCC issued in connection with the application and any criminal penalty that may apply. I understand that perjury is a felony. A person who is convicted of perjury can be punished with a fine, imprisonment or both.

5. All documents attached to this Affidavit and marked as attachments are true and correct and not misleading.

NAME(S) OF APPLICANT(S):	SIGNATURE(S) OF APPLICANT(S)	TAXPAYER ID NUMBER(S):
_____	_____	_____
_____	_____	_____
_____	_____	_____

THE STATE OF TEXAS        §  
    §  
 COUNTY OF \_\_\_\_\_ §

Sworn to and subscribed before me on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
 Notary Public, State of Texas

\_\_\_\_\_  
 (Typed or Printed Name)

My Commission Expires: \_\_\_\_\_

(PERSONALIZED SEAL)

**DOCUMENT 6**

MCC Comm.# \_\_\_\_\_  
[For Administrative Use Only]

Applicant 1: \_\_\_\_\_  
Applicant 2: \_\_\_\_\_  
Lender: \_\_\_\_\_  
Contact: \_\_\_\_\_  
Telephone: \_\_\_\_\_

THE STATE OF TEXAS           §  
COUNTY OF \_\_\_\_\_ §

**AFFIDAVIT OF SELLER**

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 Capital Area Housing Finance Corporation’s 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 the geographical area with the limits of the Counties of Bastrop, Blanco, Burnet, Caldwell, Fayette, Hays, Lee, Llano and Williamson Texas (the “*Eligible Loan Area*”) at:

PROPERTY ADDRESS: \_\_\_\_\_  
\_\_\_\_\_ TX \_\_\_\_\_

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 \$ \_\_\_\_\_. 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, sisters, spouse, lineal descendants and lineal ancestors 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 two years prior to the commencement of the construction of the Residence. 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 Lender, the Internal Revenue Service, The Capital Area Housing Finance Corporation, The Southeast Texas Housing Finance Corporation, as Administrator, or their 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:

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

SUBSCRIBED AND SWORN to before me on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public, State of Texas

\_\_\_\_\_  
(Typed or Printed Name)

My Commission Expires: \_\_\_\_\_

(PERSONALIZED SEAL)

**SELLER WORKSHEET – ACQUISITION COST**

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 each or in kind, by Applicant or any person related to the Applicant or by any person for the benefit of 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 Loan) of the ground rent: \$ \_\_\_\_\_
5. Total Acquisition Cost: \$ \_\_\_\_\_

**DOCUMENT 7**

MCC Comm.# _____ [For Administrative Use Only]
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Applicant 1: \_\_\_\_\_  
Applicant 2: \_\_\_\_\_  
Lender: \_\_\_\_\_  
Contact: \_\_\_\_\_  
Telephone: \_\_\_\_\_

**CERTIFICATE OF LENDER**

I, the undersigned authorized officer of the above Lender do hereby certify, represent and warrant to The Southeast Texas Housing Finance Corporation (“*Administrator*”) and The Capital Housing Finance Corporation (the “*Corporation*”), that:

1. All terms used herein shall have the meanings attributed to them in the Program Manual for the Corporation’s 2017 Mortgage Credit Certificate Program unless a different meaning is specifically defined herein or is required by the context in which the term appears.

2. I have read the Affidavit of Applicant, the Closing Affidavit, the Tax Return Affidavit and the Affidavit of Seller (collectively, the “*Affidavits*”) which were executed in connection with the Mortgage Credit Certificate Application made by the above Applicant and submitted to the Administrator. Prior to the execution of such documents, I reviewed the contents thereof with the Applicant, and if applicable, the closing agent.

3. (a) I have reviewed the credit analysis worksheet, or similar document, prepared in connection with this Loan. The worksheet accurately reflects the information this Lender has obtained concerning the monthly gross income of the Applicant, and this Lender has complied with the requirements of the Program Manual and the Lender Participation Agreement in verifying the accuracy of such information.

(b) Based upon Worksheet 1 attached to the Affidavit of Applicant, to the best of the Lender’s knowledge and belief the Applicant’s Anticipated Annual Family Income is \$ \_\_\_\_\_.

(c) I further certify that I have examined the Applicant’s federal income tax return (or tax account information letter, if applicable) for the preceding year, and I have determined that the adjusted gross income of all persons who intend to reside with the Applicant in the Residence is within the required limit of \$ 108,920.00 .

4. The Residence is located within the geographical area with the limits of the Counties of Bastrop, Blanco, Burnet, Caldwell, Fayette, Hays, Lee, Llano and Williamson, Texas.

5. I have conducted or have caused to be conducted an investigation regarding the truth of the facts set forth in said Affidavits, the nature of which investigation is as follows: [DESCRIBE DETAILS OF INVESTIGATION]

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***NOTE: Paragraph 6 below shall be deleted in its entirety in the case of an Applicant who is acquiring a Residence in a Targeted Area.***

6. The investigation described in paragraph 5 hereof complies with the requirements of the Program Manual and the Lender Participation Agreement, 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 of the three years preceding the execution of the Loan, the Lender is to make sure that the Tax Return Affidavit executed by the Applicant states that fact.]

7. No facts have come to my attention as a result of said investigation or otherwise which would cause me to disbelieve or doubt the truth of the Affidavits, or any portion of any of such Affidavits.

8. The Loan is secured by a valid lien on a Residence which to the knowledge of the Lender 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 the Lender Participation Agreement, 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).

9. The fees and charges collected by the Lender for the Loan are in compliance with the Program Manual and the Lender Participation Agreement. The amounts collected by the Lender to reimburse the Lender for reasonable and customary charges paid or incurred for hazard or mortgage insurance premiums, survey, title insurances, appraisal fees, abstract and attorneys' fees, recording or registration charges, escrow fees, file preparation fees, application fees, credit reports, and similar charges

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do not exceed the reasonable and customary amounts charged by the Lender for mortgage loans not made in connection with the Program.

10. To the best knowledge of the Lender, 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 mortgagor and/or members of such Applicant's immediate family.

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

12. 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.

13. All capitalized terms used in this Certificate of Lender and not otherwise defined herein have the meanings attributed to them in the Program Manual distributed by the Corporation in connection with the Program.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of \_\_\_\_\_,  
20\_\_\_\_.

\_\_\_\_\_  
Lender

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_





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MCC Comm.# \_\_\_\_\_  
[For Administrative Use Only]

**DOCUMENT 8**

Applicant 1: \_\_\_\_\_  
Applicant 2: \_\_\_\_\_  
Lender: \_\_\_\_\_  
Contact: \_\_\_\_\_  
Telephone: \_\_\_\_\_

THE STATE OF TEXAS           §  
COUNTY OF \_\_\_\_\_ §

**CLOSING AFFIDAVIT**

The undersigned, in connection with The Capital Area Housing Finance Corporation's 2017 Mortgage Credit Certificate Program, hereby certifies, with respect to the closing of the loan pertaining to the residence located at

PROPERTY ADDRESS: \_\_\_\_\_  
\_\_\_\_\_ TX \_\_\_\_\_

purchased 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 ADDRESS: \_\_\_\_\_  
\_\_\_\_\_ TX \_\_\_\_\_

CLOSING DATE: \_\_\_\_\_

LOAN AMOUNT: \_\_\_\_\_

REFINANCING LOAN WITH EXISTING MCC: \_\_\_\_\_ NO \_\_\_\_\_ YES\*

LENDER OR CLOSING AGENT

\_\_\_\_\_  
(Name of Firm)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

THE STATE OF TEXAS           §  
COUNTY OF \_\_\_\_\_ §

SWORN TO AND SUBSCRIBED before me on the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

(PERSONALIZED SEAL)

\_\_\_\_\_  
Notary Public Signature

Notary Public Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

\* For refinancings, the Lender or Closing Agent, as applicable, certifies that \$ \_\_\_\_\_ is the outstanding balance on the loan associated with the existing MCC.

**DOCUMENT 9****NOTICE OF POTENTIAL RECAPTURE TAX**

(TO BE COMPLETED BY LENDER AND DELIVERED TO APPLICANT AT THE TIME OF CLOSING OF THE LOAN)

**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 to 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 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 \$\_\_\_\_\_ [insert the actual dollar amount resulting from the product of 6.25% multiplied by the highest principal amount of the mortgage loan]. 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 tax purposes, or (2) your recapture amount determined by multiplying the following three numbers:

- (i) \$\_\_\_\_\_ [insert the actual dollar amount resulting from the product of 6.25% multiplied by the highest principal amount of the mortgage loan] (the maximum recapture tax, as described in paragraph B above),
- (ii) The holding period percentage, as listed in Column 1 in the Table, and

TABLE					
COUNTIES OF BASTROP, CALDWELL, HAYS AND WILLIAMSON	EFFECTIVE 5/19/2019	(COLUMN 2) NON TARGETED AREA ADJUSTED QUALIFYING INCOME		(COLUMN 3) TARGETED AREA ADJUSTED QUALIFYING INCOME	
DATE THAT YOU SELL YOUR HOME	(COLUMN 1) HOLDING PERIOD PERCENTAGE	NUMBER OF FAMILY MEMBERS LIVING IN YOUR HOME AT THE TIME OF SALE		NUMBER OF FAMILY MEMBERS LIVING IN YOUR HOME AT THE TIME OF SALE <b>HAYS COUNTY ONLY</b>	
		2 OR LESS	3 OR MORE	2 OR LESS	3 OR MORE
Before the first anniversary of closing (See note below)	20%	\$94,600	\$108,790	\$113,520	\$132,440
On or after the first anniversary of closing, but before the second anniversary of closing	40%	\$99,330	\$114,229	\$119,196	\$139,062
On or after the second anniversary of closing, but before the third anniversary of closing	60%	\$104,296	\$119,940	\$125,155	\$146,015
On or after the third anniversary of closing, but before the fourth anniversary of closing	80%	\$109,511	\$125,938	\$131,413	\$153,315
On or after the fourth anniversary of closing, but before the fifth anniversary of closing	100%	\$114,986	\$132,234	\$137,984	\$160,981
On or after the fifth anniversary of closing, but before the sixth anniversary of closing	80%	\$120,736	\$138,846	\$144,883	\$169,030
On or after the sixth anniversary of closing, but before the seventh anniversary of closing	60%	\$126,773	\$145,789	\$152,127	\$177,482
On or after the seventh anniversary of closing, but before the eighth anniversary of closing	40%	\$133,111	\$153,078	\$159,734	\$186,356
On or after the eighth anniversary of closing, but before the ninth anniversary of closing	20%	\$139,767	\$160,732	\$167,720	\$195,674

NOTE: Closing means the closing date for your loan.

\* *Lender:* The actual notice to the applicant must provide the actual dollar figures for adjusted qualifying incomes for each of the years covered by the table. The entries in the first row are the highest qualifying incomes that, as of the date of the mortgage loan closing, would have met the low income requirement of Section 143(f) of the Code, taking into account whether the home financed with the subsidized mortgage loan is located in a targeted area as described in Section 143(j) of the Code (but determined without regard to Section 143(f)(3)(A) of the Code) or in a high housing cost area as described in Section 143(f)(5) of the Code. The entries in each subsequent row equal the entries in the immediately preceding row, times 1.05. The formula for determining these numbers is set forth in Section 143(m)(5) of the Code. Please refer to the "Worksheet to Compute Recapture Tax" provided by the Program Administrator in order to complete Column 2.

**TABLE**

COUNTY OF BLANCO	EFFECTIVE 5/19/19	(COLUMN 2) NON TARGETED AREA ADJUSTED QUALIFYING INCOME	
DATE THAT YOU SELL YOUR HOME	(COLUMN 1) HOLDING PERIOD PERCENTAGE	NUMBER OF FAMILY MEMBERS LIVING IN YOUR HOME AT THE TIME OF SALE	
		2 OR LESS	3 OR MORE
Before the first anniversary of closing (See note below)	20%	\$72,900	\$83,835
On or after the first anniversary of closing, but before the second anniversary of closing	40%	\$76,545	\$88,026
On or after the second anniversary of closing, but before the third anniversary of closing	60%	\$80,372	\$92,428
On or after the third anniversary of closing, but before the fourth anniversary of closing	80%	\$84,390	\$97,049
On or after the fourth anniversary of closing, but before the fifth anniversary of closing	100%	\$88,610	\$101,901
On or after the fifth anniversary of closing, but before the sixth anniversary of closing	80%	\$93,040	\$106,997
On or after the sixth anniversary of closing, but before the seventh anniversary of closing	60%	\$97,692	\$112,346
On or after the seventh anniversary of closing, but before the eighth anniversary of closing	40%	\$102,577	\$117,964
On or after the eighth anniversary of closing, but before the ninth anniversary of closing	20%	\$107,706	\$123,862

NOTE: Closing means the closing date for your loan.

\* *Lender:* The actual notice to the applicant must provide the actual dollar figures for adjusted qualifying incomes for each of the years covered by the table. The entries in the first row are the highest qualifying incomes that, as of the date of the mortgage loan closing, would have met the low income requirement of Section 143(f) of the Code, taking into account whether the home financed with the subsidized mortgage loan is located in a targeted area as described in Section 143(j) of the Code (but determined without regard to Section 143(f)(3)(A) of the Code) or in a high housing cost area as described in Section 143(f)(5) of the Code. The entries in each subsequent row equal the entries in the immediately preceding row, times 1.05. The formula for determining these numbers is set forth in Section 143(m)(5) of the Code. Please refer to the "Worksheet to Compute Recapture Tax" provided by the Program Administrator in order to complete Column 2.

**TABLE**

COUNTIES OF BURNET, FAYETTE, LEE AND LLANO	EFFECTIVE 5/19/2019	(COLUMN 2) NON TARGETED AREA	
		ADJUSTED QUALIFYING INCOME	
		NUMBER OF FAMILY MEMBERS LIVING IN YOUR HOME AT THE TIME OF SALE	
	(COLUMN 1) HOLDING PERIOD PERCENTAGE	2 OR LESS	3 OR MORE
DATE THAT YOU SELL YOUR HOME			
Before the first anniversary of closing (See note below)	20%	\$71,200	\$81,880
On or after the first anniversary of closing, but before the second anniversary of closing	40%	\$81,400	\$93,610
On or after the second anniversary of closing, but before the third anniversary of closing	60%	\$78,498	\$90,272
On or after the third anniversary of closing, but before the fourth anniversary of closing	80%	\$82,422	\$94,786
On or after the fourth anniversary of closing, but before the fifth anniversary of closing	100%	\$86,544	\$99,525
On or after the fifth anniversary of closing, but before the sixth anniversary of closing	80%	\$90,871	\$104,501
On or after the sixth anniversary of closing, but before the seventh anniversary of closing	60%	\$95,414	\$109,727
On or after the seventh anniversary of closing, but before the eighth anniversary of closing	40%	\$100,185	\$115,213
On or after the eighth anniversary of closing, but before the ninth anniversary of closing	20%	<u>\$105,194</u>	<u>\$120,974</u>

NOTE: Closing means the closing date for your loan.

\* *Lender:* The actual notice to the applicant must provide the actual dollar figures for adjusted qualifying incomes for each of the years covered by the table. The entries in the first row are the highest qualifying incomes that, as of the date of the mortgage loan closing, would have met the low income requirement of Section 143(f) of the Code, taking into account whether the home financed with the subsidized mortgage loan is located in a targeted area as described in Section 143(j) of the Code (but determined without regard to Section 143(f)(3)(A) of the Code) or in a high housing cost area as described in Section 143(f)(5) of the Code. The entries in each subsequent row equal the entries in the immediately preceding row, times 1.05. The formula for determining these numbers is set forth in Section 143(m)(5) of the Code. Please refer to the "Worksheet to Compute Recapture Tax" provided by the Program Administrator in order to complete Column 2.

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\* *Lender:* The actual notice to the applicant must provide the actual dollar figures for adjusted qualifying incomes for each of the years covered by the table. The entries in the first row are the highest qualifying incomes that, as of the date of the mortgage loan closing, would have met the low income requirement of Section 143(f) of the Code, taking into account whether the home financed with the subsidized mortgage loan is located in a targeted area as described in Section 143(j) of the Code (but determined without regard to Section 143(f)(3)(A) of the Code) or in a high housing cost area as described in Section 143(f)(5) of the Code. The entries in each subsequent row equal the entries in the immediately preceding row, times 1.05. The formula for determining these numbers is set forth in Section 143(m)(5) of the Code. Please refer to the “Worksheet to Compute Recapture Tax” provided by the Program Administrator in order to complete Column 2.

Please acknowledge your receipt of a copy of this notice by signing below.

---

Signature of Applicant

---

Date

---

Name of Applicant

---

Date

---

Signature of Applicant

---

Name of Applicant

[www.SETHFC.COM](http://www.SETHFC.COM)**DOCUMENT 10**MCC Comm.# \_\_\_\_\_  
[For Administrative Use Only]Applicant 1: \_\_\_\_\_  
Applicant 2: \_\_\_\_\_  
Lender: \_\_\_\_\_  
Contact: \_\_\_\_\_  
Telephone: \_\_\_\_\_**EXTENSION REQUEST FORM  
THE SOUTHEAST TEXAS HOUSING FINANCE CORPORATION**

The above Applicant and Lender are hereby requesting a thirty (30) day extension of the MCC Commitment Letter referenced above. Enclosed is a check or money order payable to The Southeast Texas Housing Finance Corporation (the "*Administrator*") for payment of the \$50 MCC Extension Fee.

The undersigned Applicant and Lender certify that this is the first Extension Request Form submitted concerning the above-referenced MCC Commitment Letter 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 1: \_\_\_\_\_

Lender: \_\_\_\_\_

Applicant 2: \_\_\_\_\_

Signature of Applicant \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Signature of Applicant \_\_\_\_\_

Title: \_\_\_\_\_

THIS EXTENSION REQUEST FORM MUST BE SUBMITTED TO THE ADMINISTRATOR *PRIOR* TO THE EXPIRATION DATE OF THE MCC COMMITMENT LETTER.

**Administrator's Issuance of Extension**

The above-referenced MCC Commitment Letter is hereby extended to \_\_\_\_\_.

DATED: \_\_\_\_\_

THE SOUTHEAST TEXAS HOUSING FINANCE  
CORPORATION, Administrator

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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**DOCUMENT 11**  
**NOTICE OF DENIAL OF ELIGIBILITY FOR MCC**  
**THE CAPITAL AREA HOUSING FINANCE**  
**CORPORATION**

To: Administrator: The Southeast Texas Housing Finance Corporation  
11111 South Sam Houston Parkway East  
Houston, Texas 77089  
Attn: Contract Administrator

Applicant(s): \_\_\_\_\_  
Taxpayer ID.#: \_\_\_\_\_  
Residence Address: \_\_\_\_\_ TX \_\_\_\_\_

Has a MCC Commitment Letter been issued: \_\_\_\_\_ Yes \_\_\_\_\_ No  
If Yes, what is the MCC Commitment Number: MCC Commitment #: \_\_\_\_\_

In compliance with the Mortgage Credit Certificate Program Manual, this Notice of Denial of Eligibility for MCC is being provided to The Southeast Texas Housing Finance Corporation, as Administrator. The above named Applicant has been determined to be ineligible for the issuance of a MCC under the Program for the following reasons [check all that apply]:

- ☐ Loan withdrawn or will not close using a MCC.
- ☐ Applicant's current ANTICIPATED ANNUAL FAMILY INCOME exceeds the Program income limits.
- ☐ Applicant's prior year's ADJUSTED GROSS INCOME exceeds \$\_\_\_\_\_.
- ☐ The ACQUISITION COST of the Residence exceeds the applicable Program limits.
- ☐ Applicant does not meet the FIRST-TIME HOMEBUYER requirement.
- ☐ Residence is not located within the ELIGIBLE LOAN AREA.
- ☐ 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 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.
- ☐ Other. Explanation \_\_\_\_\_

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

DATED: \_\_\_\_\_

\_\_\_\_\_  
Lender

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



**DOCUMENT 12**  
**MCC REISSUANCE APPLICATION**  
**THE CAPITAL AREA HOUSING FINANCE**  
**CORPORATION 2017 MORTGAGE CREDIT CERTIFICATE**  
**PROGRAM**

MCC # \_\_\_\_\_ Date \_\_\_\_\_  
Name(s) of MCC Applicant(s): \_\_\_\_\_  
\_\_\_\_\_ TIN: \_\_\_\_\_  
\_\_\_\_\_ TIN: \_\_\_\_\_

This constitutes my application for a reissued Mortgage Credit Certificate (MCC) from The Capital Area Housing Finance Corporation (the “*Issuer*”) in connection with the refinancing of Mortgage Loan on my Principal Residence. I acknowledge, understand, agree and certify under oath to the following:

1. I was previously issued a MCC (the “*Existing MCC*”) by the Issuer pursuant to The Capital Area Housing Finance Corporation’s 2017 Mortgage Credit Certificate Program on \_\_\_\_\_, 20\_\_\_\_. My Mortgage Credit Certificate Number is \_\_\_\_\_.
2. I have refinanced the Mortgage Loan for which the Existing MCC applied.
3. I understand that, as a result of the refinancing of my previous Mortgage Loan the federal income tax credits may not be claimed on the interest paid on the new Mortgage Loan unless my MCC is reissued.
4. I hereby certify that the Residence refinanced in connection with this application for a Reissued MCC is the same Residence financed in connection with the Existing MCC.
5. I understand that the Certified Indebtedness Amount specified on the Reissued MCC may not exceed the outstanding balance as of the date of refinancing of the Certified Indebtedness Amount of the Existing MCC.

(The Reissued MCC will be issued for a mortgage loan amount that is not greater than the amount that was required to pay off the remaining principal balance of the previous mortgage loan.)

If the principal amount of your new Mortgage Loan exceeds the amount required to pay off the previous Mortgage Loan, then only a portion of the interest on the new Mortgage Loan Amount is eligible for a tax credit.

6. I understand that the Reissued MCC will have a credit rate equal to the Existing MCC.

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7. I understand that the Reissued MCC will not entitle me to take tax credits in any taxable year that exceed the Credit that would otherwise have been allowable to me with the Existing MCC.

8. My new (refinancing) Mortgage Loan closed on \_\_\_\_\_.

9. The following items have been enclosed with this MCC Reissuance Application and Affidavit:

- A. A copy of the Existing MCC.
- B. A copy of the Pay-Off Statement for the previous loan.
- C. Certified copy of the Closing Disclosure Notice for the new loan.
- D. A cashier's check, money order or a check from the Title Company

in the amount of \$325 payable to The Southeast Texas Housing Finance Corporation as fee for processing the MCC Reissuance Application and reissuing a MCC.

10. I understand that the Reissued MCC will entirely replace the Existing MCC (that is, I cannot retain the Existing MCC with respect to any portion of the outstanding amount of the Certified Indebtedness Amount on the Existing MCC).

DATED: \_\_\_\_\_

SIGNATURE OF BORROWER(S)

\_\_\_\_\_  
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