

2019–2020 Mortgage Tax Credit Basic(MTC)

(Effective January 1, 2019 thru December 31, 2020)



This program term sheet (as referenced in the Mortgage Origination and Sale Agreement, “HFA Guideline’s” as expressed in the Servicer’s Participating Lender Agreement) has been adopted by the Ohio Housing Finance Agency (OHFA) for the program and is incorporated by reference in the Lender Guide.

Terms	Fixed-Rate Mortgages ONLY (any term is allowed as long as fixed-rated)
Rate	A Current Fixed-Rate Loan Product offered by the participating lender.
Eligible Properties	<p>One- to four-unit single family properties (Grants for Grads Program limited to one-unit only), condominiums and planned unit developments (PUDs)</p> <ul style="list-style-type: none"> Condo’s must appear on US Bank’s current active approved condo association list or lender must submit to US Bank’s Project Approval Dept. for approval of the condominium association. See US Bank’s website, www.hfa.usbank.com for approved list and submission requirements. <p>Fannie Mae HFA Preferred allows 1-4 family unit properties Freddie Mac HFA Advantage allows only 1 unit properties Two acres or less within municipal corporations Five acres or less outside municipal corporations</p> <ul style="list-style-type: none"> Manufactured homes are not eligible.
Purchase Price Limits	Maximum purchase price limits by county are posted online at http://www.ohiohome.org/partners/lenders.aspx .
Transaction Type	Purchase transactions only; refinance transactions are <u>not</u> permitted.
Credit score requirements	None
DTI requirements	None
Program Fees	<ul style="list-style-type: none"> \$500 per loan paid to OHFA by the lender which may be assessed to the borrower. The participant may charge a potential borrower applying for an MTC only those reasonable fees for processing of the financing as would be charged to a potential borrower applying for financing not provided in connection with an MTC.
Income Limits and Qualifying Income	<p>Income limits are posted online at http://www.ohiohome.org/partners/lenders.aspx. All income of the individuals who will both live in the property and will be obligated on the mortgage note will be used in determining borrower income eligibility.</p>
Extension Fee	In regard to any OHFA Commitment that is currently outstanding and will not close prior to the expiration date, an extension may be requested prior to the expiration date. A 90-day extension will be given upon the Participant’s request and submission of a \$100.00 OHFA extension fee. Additional extensions may be granted if and when the Agency determines that extenuating circumstances exist. Expiration dates may be subject to additional federal requirements.

Annual Credit Rates	<ul style="list-style-type: none"> • 20% for Non-Targeted Areas • Areas 25% for Targeted Areas • 30% for purchase of Real Estate Owned (REO) single family properties from HUD, Fannie Mae, Freddie Mac or a financial institution that acquired the property through foreclosure. • If a non-profit or local government acquires and rehabilitates an REO property which is then purchased by an eligible borrower, the borrower will qualify for the 30% MTC Credit.
Cancellations/Reinstatements	<ul style="list-style-type: none"> • The Participant should notify OHFA of any cancellations of Commitments by submitting written notification and returning the original OHFA Commitment. Should Participant request cancellation of loan, then request for reinstatement, a fee will be incurred.

First Time Homebuyer	<p>This program applies to owner-occupied principal residences only. Non-occupant co-signers/co-mortgagors as permitted by Fannie Mae. Freddie Mac does not allow non-occupant co-borrowers. A borrower is defined as a “first-time homebuyer,” if he/she/they meet the following:</p> <p>An occupant borrower who has not had an ownership interest in a principal residence at any time during the three-year period ending on the date the mortgage loan is executed.</p> <p>Qualified military veterans who have received an honorable discharge from the U.S. military, even if they have previously owned a home.</p> <p>Borrowers do not have to qualify as a first-time homebuyer if the home they select for purchase is located in a designated target area census tract. Please refer to http://ohiohome.org/geodata to determine if property qualifies in a target area.</p>
Notes	<p>Recapture Tax Provision applies to all loans</p> <p>MTC available on first-come, first-served basis and is non-transferrable</p>