

HFA of Hillsborough County

Home Sweet Home Program note sheet

Where? Hillsborough, clay, brevard, & Duval Counties

It is a first mortgage program for buyers down payment and closing costs

List of active participating **loan officers** on the website: MyFirstFloridaHome.com

CONTINUOUSLY FUNDED

→ The lender determines if a buyer qualifies for a mortgage loan AND the program

NEVER runs out

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The lender takes a few extra steps, they...

1. Register the loan for the program
2. Process and complete all program forms
3. Underwrite and close the loan

The loan will be purchased by the program master servicer, **US Bank**

\$ Minimum FICO score of 660

for all FHA loans and 640 for VA & RD loans

Loans originated in Brevard, Clay, and Duval Counties offer **\$7,500, Assistance & in Hillsborough ONLY \$10,000 Assistance.**

Maximum debt-to-income ratio of 45%

For loans below 660 FICO and 640 and 50% for loans with 660+ FICO

Assistance is in the form of a 30-year deferred, 0% second mortgage

It is a real second mortgage that is never forgiven

→ must be repaid if borrowers refinance, sell, or no longer live in the property

- The second mortgage and note are signed at closing
- If borrowers qualify for the first mortgage = DPA
- Borrowers must program first mortgage in order to receive the second mortgage DPA

Down payment assistance may be used for:

1. Borrowers down payment & closing costs
2. Any down payment exceeding minimum requirements to be applied to the first mortgage principal reasonable and customary closing costs

Borrowers

1. must be a first-time homebuyer
2. Have the minimum FICO score
3. Meet both the income and purchase price limits
4. Have a signed real estate purchase agreement for a specific property.

Down payment assistance may NOT be used for:

1. Covering the cost difference between the sales price and appraised value
2. Payoff of any borrower debt
3. pay for any portion of the realtor commission or fees.

Online Homebuyer Education

eHomeAmerica - www.eHomeAmerica.org

MGIC (Free) - English - <https://homebuyersmgic.com>

Spanish - Compradoresdecasamgic.com

Allowable property types

- New or existing
- Residential; 1 to 4 units
- Detached or attached
- Condos or town homes



Unallowable property types

- Manufactured homes
- Temporary homes
- Seasonal homes
- Mobile homes
- Recreational homes

No more than 15 percent of the square footage of a home may be used in connection with a trade or business. This includes childcare businesses.

Income and purchase price limits

Are continuously updated on the MyFirstFloridaHome Website

Mortgage Credit Certificate (MCC) note sheet

What is it? a program that provides a federal income tax credit, and it is used in conjunction with a first mortgage loan provided by the lender

↳ **NOT** a down payment assistance program **Do not confuse tax liability with a refund.**

The MCC allows a buyer to take 50% of their annual mortgage interest as a tax credit while continuing to use the balance of the interest as a deduction, for a maximum of \$2,000.

A buyer must have tax liability

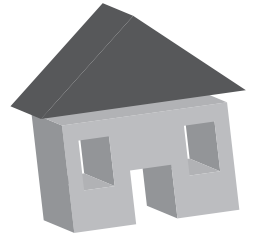
A **large** number would indicate a buyer is a great fit for the MCC program.

A **small** number would indicate a buyer may be a good fit for the MCC program because they have some tax liability

Zero tax liability indicates the MCC is not a good fit for the borrower. **Borrower will file the IRS form 8396 with their tax return every year**

For MCC applicants to fully benefit they must be able to:

1. Qualify for a mortgage loan
2. Qualify for one of the HFA Programs
3. Have tax liability after the use of all other credits and deductions
4. File a form with their federal income tax return each year



MCC requirements are the exact same as the Home Sweet Home Program first mortgage requirements. So, there aren't separate rules to remember

Opening Doors to Affordable Housing
Housing Finance Authority
of Hillsborough County

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