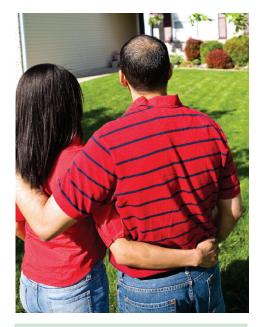
MORTGAGE TAX CREDIT

888.362.6432 | MYOHIOHOME.ORG







MTC EXAMPLE

Mortgage Amount \$155,980
Annual Percentage Rate 6.25%
Total Interest Paid First Year \$9,748
Mortgage Tax Credit Rate x.20

Tax Credit Amount*

\$1,949

To receive these benefits, you must choose a lender that participates in both the first-time homebuyer program and OHFA's mortgage tax credit. Find a participating lender at MYOHIOHOME.ORG.

*Your tax credit will vary each year based upon the mortgage interest that you pay. The Ohio Housing Finance Agency's Mortgage Tax Credit provides homebuyers with a direct federal tax credit on a portion of the mortgage interest, which provides up to a \$2,000 tax savings per year. The tax credit cannot be larger than the owner's annual federal income tax liability after deductions, exemptions and other credits.

Homebuyers must have a tax liability in order to use this non-refundable credit. The mortgage tax credit is in addition to the IRS home mortgage interest deduction.

- If you use the tax credit with a loan through OHFA's first-time homebuyer program, you receive a tax credit of 40 percent of the home mortgage interest. The maximum annual tax credit is \$2,000.
- If you use the tax credit with a loan provided by your lender not coupled with OHFA's first-time
 homebuyer program, you receive a tax credit of 20% if the property you purchase is in a non-target
 area, 25% if in a target area or 30% if the property is currently owned by a bank or government
 entity. The maximum tax credit is \$2000 for all credit amounts but the 20% credit which has no limit.

Homebuyers coupling a mortgage tax credit with a loan through OHFA's first-time homebuyer program can also receive down payment assistance equal to 2.5%.*

AM I ELIGIBLE?

- You have not owned or had an ownership interest in your primary residence in the last three years, or if you purchase in a target area.
- You meet income and purchase price limits.**

The following applies if using OHFA's first-time homebuyer program with the tax credit:

- You meet credit score requirements.
 - ° Conventional, USDA, and VA Loans: 640 or higher
 - ° FHA Loans: 650 or higher
- · You meet debt to income ratios for your loan type.

*Homebuyers using the mortgage tax credit in conjunction with an OHFA loan could have a slightly higher interest rate.

HOW DO I APPLY?

OHFA works with lenders, credit unions and mortgage companies across the state. Visit our website to find an OHFA-approved lender in your area, and click on the GETTING STARTED tab to view tips on the application process. You may also call us toll-free at 888.362.6432.

**Income and purchase price limits vary by Ohio county and community. For income and purchase price limits in your area, visit our website at myohiohome.org.

OHFA is an Equal Opportunity Housing entity. Loans are available on a fair and equal basis regardless of race, color, religion, sex, familial status, national origin, military status, disability or ancestry.



We Open the Doors to an Affordable Place to Call Home



