

Pennsylvania Housing Finance Agency

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FOR IMMEDIATE RELEASE

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PHFA launches new Mortgage Credit Certificate Program

MCC program lets qualified homebuyers claim a tax credit on their home loan

HARRISBURG – The Pennsylvania Housing Finance Agency today launched its Mortgage Credit Certificate (MCC) Program, which provides a limited tax credit for eligible homebuyers. A mortgage credit certificate lets qualified homebuyers claim a tax credit that reduces, on a dollar-for-dollar basis, their federal income tax liability, if any, for the life of the loan. The mortgage credit certificate provides this benefit as long as the home remains the homeowners' primary residence.

Homeowners can claim up to 50 percent credit of the mortgage interest they pay each year, not to exceed \$2,000. The remaining mortgage interest paid may be claimed as a deduction per IRS guidelines. A mortgage credit certificate is to be used in conjunction with a first mortgage under PHFA's Keystone Government (K-Gov) or HFA Preferred™ or Preferred Risk Sharing™ programs.

"We're excited about this new home loan product that gives our customers another attractive mortgage option," said PHFA Executive Director and CEO Brian A. Hudson Sr. "During the past 18 months, PHFA has responded to changing market opportunities with a variety of new mortgage programs. Our Mortgage Credit Certificate Program is yet another initiative by PHFA to help Pennsylvanians achieve their dream of homeownership."

In addition to the MCC Program, eligible borrowers may also qualify for down payment and closing cost assistance from PHFA with the agency's Advantage Loan Program.

Qualified homebuyers can apply for the MCC Program through PHFA's network of participating lenders. For more information, homebuyers should call 1-800-822-1174 during weekday business hours to talk with a PHFA customer care representative. They also can visit the agency's website at www.PHFA.org and explore the information available under the blue header at the top of the screen for "Homebuyers, Homeowners, & Renters."

About PHFA

The Pennsylvania Housing Finance Agency works to provide affordable homeownership and rental housing options for older adults, low- and moderate-income families, and

people with special housing needs. Through its carefully managed mortgage programs and investments in multifamily housing developments, PHFA also promotes economic development across the state. Since its creation by the legislature in 1972, it has generated \$11.2 billion of funding for more than 152,900 single-family home mortgage loans, helped fund the construction of 127,374 rental units, and saved the homes of more than 46,400 families from foreclosure. PHFA programs and operations are funded primarily by the sale of securities, not by public tax dollars. PHFA is governed by a 14-member board.

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