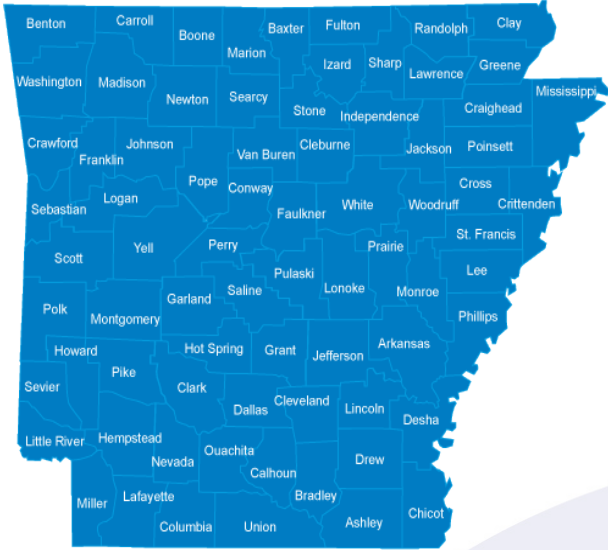


## Single Family Homeownership Programs



**We serve every county in Arkansas**

**“ADFA Move-Up Choice” Program** offers the homebuyer a grant of 4% of their loan amount, funded by a higher interest rate on their first mortgage to cover closing costs and prepaids, down payment or even payoff a debt at closing to help qualify for a loan. Move-Up Choice can also be paired with an **ADFA MCC**.

**“ADFA Move-Up” Program** offers homebuyers an affordable mortgage. And when using an ADFA Move-Up loan, borrowers may also be eligible to combine it with all of the following ADFA single family home buying incentives.

**ADFA Down Payment Assistance (DPA) Program** is available to qualifying applicants of an “ADFA Move-Up” first mortgage. ADFA DPA can provide **up to \$10,000** for down payment and closing costs. It is a second mortgage with a 10-year term. The interest rate matches the first mortgage.

**Arkansas Dream Down Payment Initiative (ADDI)** provides qualifying low-income homebuyers in Arkansas up to **6% of the purchase price** of their home, not to exceed \$10,000. It is a second mortgage loan with no monthly payment that is forgivable over five years. ADDI funding is provided by HUD through the Home Investment Partnerships Program.

### **ADFA MCC - Mortgage Credit Certificate Program**

is a dollar-for-dollar tax credit for first time, low-to-moderate income homebuyers. The certificate is issued by ADFA and allows qualifying, taxpaying homebuyers to claim a tax credit up to 50 percent of the mortgage interest paid per year, capped at **\$2,000 annually**.

The ADFA MCC is **FREE** when used with an “ADFA Move-Up” or “ADFA Move-Up Choice” Loan. An MCC may also be combined with the Arkansas Dream Down Payment Initiative (ADDI).

#### Sample MCC Calculation

Amount of 1st Mortgage		\$150,000.00
Interest Rate	x	3.75%
First Year Interest Paid	=	<b>\$5,625.00</b>

MCC Tax Rate - 50%

Amount of Benefit for the year	\$2,812.50
<b>**Max \$2,000 allowed</b>	<b>\$2,000.00</b>

**Calendar Months Divided by 12 = Monthly Savings \$166.66**

*\*\*With a 50% MCC Rate the maximum amount of tax credit is \$2,000.00 per year.*