MCC APPLICATION
SUBMITTAL OVERVIEW

Step One Documents **(SHOULD BE SUBMITTED AT LEAST 10 DAYS PRIOR TO CLOSE)**

MCC Submission Cover Sheet - Step 1.

Affidavit of Applicant(s)

- Worksheet 1-Anticipated Annual Family Income
- Worksheet 2-Cost of Residence
- Worksheet 3-Prior Residence

Tax Return Affidavit

- Must include 3 most recent tax returns or transcripts
- For qualified Veterans include most recent tax return and DD214

Home Buyer Education Certificate

Step Two Documents **(MUST BE SUBMITTED WITHIN 15 DAYS AFTER CLOSE)**

MCC Submission Cover Sheet - Step 2

Reaffirmation of Applicant

Affidavit of Seller

- Worksheet 4 – Acquisition Cost

Certificate of Lender Closing Affidavit
Closing Disclosure from Lender

Notice of Potential Recapture Tax (provide recapture table for applicable County)

Final Settlement Statement from Title Company

MCC Payment* (Check made to Nevada Housing Division)

Extension Request Form (if needed)

Notice of Denial of Eligibility (if needed

FEES:

As applicable, the following fee/fees are payable to the Nevada Housing Division and can be made by check or money order.

$995	MCC Program Fee
$495	Discounted MCC Program Fee if combined with HIP DPA
$ 25	MCC Resubmission Fee
$ 50	MCC Extension Fee
$ 75	Late Submission Fee

* The MCC Program Fee is waived for Applicants who are veterans or, are on active duty or currently in the U.S. National Guard or surviving spouses.

MCC SUBMISSION COVER SHEET – STEP 1

NEVADA HOUSING DIVISION

Step 1 forms are due within 15 days prior to closing -

Submit to: MCC@housing.nv.gov

All field are required unless otherwise noted. Incomplete forms will be denied.

Lender: _____
Loan Officer: _____
Best Contact: _____
Phone: _____
Fax: _____
Email: _____
Branch Manager: _____
Office Address: _____
City: _____ ZIP: _____

Realtor Company: _____
Agent: _____
Escrow Officer Email: _____
Title Company: _____
Escrow Officer: _____
Phone: _____
Escrow #: _____

Applicant: _____
Taxpayer ID#: _____
Email: _____

Applicant 2: _____
Taxpayer 2 ID#: _____
Email: _____

Subject Property Address: _____
City: _____ Zip: _____
Subdivision: _____
Targeted Area: ○ Yes ○ No
Type of Residence: ○ New ○ Existing

County: _____
Builder (if new): _____
Census Tract #: _____

Loan Amount: _____
Loan Type: ○ FHA ○ VA ○ Conv ○ USDA ○ Other
List any DPA Program Associated with this Loan: _____
Loan Term: _____
Est Closing Date: _____
Lender Loan #: _____
Anticipated Annual Family Income (from worksheet one): _____ $ 0.00
Ethnicity of Borrower (Optional): _____

Qualified Veteran: ○ Yes ○ No
1st Time Homebuyer: ○ Yes ○ No
(has not owned a home within the past 3 years)
Loan Interest Rate: _____
Family Size: _____
Acquisition Cost: _____

Step 1 Checklist: The following documents must be submitted in order to receive an MCC commitment. Incomplete forms will be denied.

- ☐ MCC Submission Cover Sheet - Step1
- ☐ Affidavit of Applicant (with Worksheets One through Three attached)
- ☐ Tax Return Affidavit
- ☐ Three years of tax returns or transcripts
  - (Qualifying Veteran – DD214 & most recent federal tax return)
  - (Target Area purchaser - most recent federal tax return)
- ☐ Homebuyer Education Certificate

(For Administrative Use Only)

MCC commitment: ○ Approved ○ Denied MCC Commitment #: _____

Commitment Date: _____

AFFIDAVIT OF APPLICANT

Applicant: _____ Applicant 2: _____
Subject Property Address: _____
City: _____ Zip: _____ County: _____
Targeted Area: ○ Yes ○ No Census Tract #: _____
Type of Residence: ○ New ○ Existing
Qualified Veteran: ○ Yes ○ No Lender: _____
Loan Amount: _____ Loan Officer: _____
Acquisition Cost: _____ 0.00 Telephone #: _____

The undersigned Applicant (whether one or more), the buyer(s) or owner(s) of the Residence listed above (the *"Residence"*), promises, under penalty of perjury and the penalties listed here, that each of the following statements are true, correct and complete:

1. *Income.*

   (a) My anticipated annual family income is $ _____ $ 0.00 [Will auto-fill from Worksheet One.]

   (b) I agree to furnish true copies of the federal income tax returns that were signed and filed with the Internal Revenue Service for the past three years, including the most recent year, for myself and all persons who will live with me in the Residence and/or who will be liable on the loan. *Only tax returns for the year most recently ended need to be provided, if (i) the Residence is located in a target area or (ii) you are a qualifed "Veteran" (as defined in 38 U.S.C. Section 101).*

   (c) I authorize the Lender listed above to review the returns to verify the statements I make here, and I authorize the Nevada Housing Division ("NHD"), the Lender listed above, the Issuer (as defined below) and their agents to review the returns as may be necessary to process my application for a Mortgage Credit Certificate ("MCC") under the Nevada Housing Division Mortgage Credit Certificate Program (the "Program").

2. *Family Size.*

   (a) The total number of my family members who will live with me in the Residence, plus any other persons who are not part of my family but who will live with me in the Residence, is:

3. *Location of Residence.*

   (a) The subject property must be located within the State of Nevada (and, for loans closed before August 9, 2016, Clark or Washoe Counties).

4. *Acquisition Cost.*

   (a) The Residence is (check one):

   ○ a new single family residence that has never been lived in

   ○ a single family residence that has been lived in before.

   (b) The "Cost" of the Residence to me (as calculated on Worksheet Two attached to this affidavit) is $ _____ 0.00

(c) The "Cost" includes:

(i) everything I paid or someone else paid for me, either in cash or in kind, for the Residence;

(ii) if the Residence is not finished, the reasonable cost to finish it, whether or not the cost to finish the Residence is covered by the amount I borrowed to buy the Residence; and

(iii) if the Residence sits on leased ground, the value of the ground lease.

(d) I understand "Cost" does not include:

(i) settlement and financing costs (such as title and transfer fees, title insurance, survey fees, credit reference fees, legal fees, appraisal fees, points paid by me, credit report fees, FHA insurance premiums, hazard or flood insurance premiums, abstract fees, tax service fees, recording or registration fees, escrow fees, file preparation fees and other similar costs);

(ii) the value of any services performed by me or my family members in completing the Residence;

(iii) the cost of the land the Residence sits on, if I owned the land for at least two years before the Residence was built;

(iv) (amounts I paid or someone paid for me to the Seller or for the Seller of the Residence for property that is not a "fixture" (permanently attached to the land or to the Residence); and

(v) amounts I paid or someone paid for me or the Seller of the Residence paid or someone paid for the Seller for painting, minor repairs, floor refinishing or other fix-up expenses.

(e) Worksheet Two attached to this certificate is an accurate calculation of the "Cost" of the Residence.

5. *Principal Residence.*

(a) I intend to live in the Residence within a reasonable time (not to exceed 60 days) after closing of the Mortgage. The Residence will be my "Principal Residence". I understand that "*Principal Residence*" means the home where I live and which is used primarily as a residence (not as a business). Whether the Residence is my Principal Residence depends on my particular circumstances, including my good-faith intention to make the Residence my Principal Residence. I understand a "Principal Residence" does not include a home used that is rented to someone else or a vacation home or a home is used primarily in a trade or business. If 15 percent or more of a home is used in a trade or business, the home is considered used primarily in a trade or business. I agree to notify the Lender and NHD immediately if the Residence stops being my Principal Residence.

(b) If any part of my home is used in my trade or business, I agree I will not claim any deductions on my income tax return for such use.

6. *Prior Ownership of a Residence.* (**check all that apply**)

(a) ○ **I am a Qualified Veteran**

Defined as a person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable, who has not previously obtained a mortgage credit certificate or a loan financed by single family mortgage revenue bonds utilizing the veteran exception to waive the requirement of being a first-time homebuyer as set forth in Section 416 of the Tax Relief and Health Code Act of 2006.

(b) ○ **The Residence is located in a Targeted Area.**

(c) ⦿ **I have not owned a "Principal Residence"**

at any time during the last three years. I have not claimed any deductions on my income tax returns during the last three years for real property taxes or interest on a home. I understand that "Principal Residence" means the same thing that it did in paragraph 5 above.

(d) I understand owning a "**Principal Residence**" could include the following types of arrangements:

(i) direct ownership;

(ii) ownership along with someone else;

(iii) an agreement that once a certain number of payments of a set amount were made, I would own the residence; and

(iv) any other arrangements that would give me ownership in the future.

(e) Worksheet three attached to this certificate is a correct list of the places I have lived during the past three (3) years.

7. *New Mortgage.*

[If paragraph 6(b) is checked.] The Mortgage on the Residence will not be used to repay a mortgage I owed on the Residence or I co-signed. I have never had a mortgage on the Residence (except for a temporary construction loan within 24 months from the date of this affidavit if the Residence was recently built).

(a) If the proceeds of the Mortgage will be used to replace a construction loan, describe the loan in the space below. Be specific about the lender, the purpose and the term of the loan.

8. *Prohibited Mortgages.*
No portion of the financing for the Residence may come from the proceeds of qualified mortgage bonds or qualified veterans' mortgage bonds.

9. *Size of Property; Income from Property.*
The lot that the Residence sits on is not larger than the normal size of lots in the area. I do not expect to make any money from the lot the Residence sits on, such as by selling or leasing a portion of the lot.

10. *Other Owners of Residence.*
Once I buy the Residence, no one will own any part of the Residence who has not signed this affidavit or another affidavit like this one.

11. *Verification.*
I understand the Lender, NHD, the Internal Revenue Service, or their authorized representatives will check to make sure my statements in this affidavit are true and complete. I agree to allow the Lender, the Internal Revenue Service, NHD and their authorized representatives access to any information, including my past income tax returns, the checks from my bank or other proof that I paid my rent, utility bills, work records, etc., may be needed to check the information I have provided. I will authorize others, such as my bank or my employer, to provide the information required to confirm the statements I have made.

12. *Program Information.*
I have been furnished a copy of the Mortgage Credit Certificate Brochure and have a basic understanding as to the provisions of the Program.

13. *No Other Certificate.*
I have not previously received a Mortgage Credit Certificate under this or any other Mortgage Credit Program.

14. *Lender.*
I have not been required to use any particular lender to finance the purchase of the Residence in order to qualify for the Program.

15. *Transfer or Assumption.*
I understand that the Mortgage Credit Certificate may not be transferred unless NHD issues a new Mortgage Credit Certificate. If I ever want to transfer my Mortgage Credit Certificate under the transfer provisions of the Program, the person to whom my Mortgage Credit Certificate is transferred must qualify as an Applicant and must meet all of the requirements for a Mortgage Credit Certificate that are in place at the time the new certificate is to be issued.

16. *Interest to Related Persons.*
No portion of the Mortgage has been made by or will be repaid to a person who is related to me.

17. *Possible Interest Recapture.*
I understand, acknowledge, and agree that if I dispose of (for example, by sale) the Residence within nine (9) years from the date the mortgage loan is originated, the Internal Revenue Service may levy a tax on me upon such disposition up to the lesser of (i) six and one-quarter percent (6.25%) of the loan amount or (ii) fifty percent (50%) of the amount of gain that I realize upon the disposition, depending upon my income level, the amount of the loan, and the number of years I hold the Residence.

Because you are receiving a Mortgage Credit Certificate with your mortgage loan, you are receiving the benefit of a credit against your federal income tax. If you sell or otherwise dispose of your home during the next nine years, this benefit may be "recaptured." The recapture is accomplished by an increase in your federal income tax for the year in which you sell your home. The recapture only applies, however, if you sell your home at a gain and if your income increases above specified levels.

You may wish to consult a tax advisor or the local office of the Internal Revenue Service at the time you sell your home to determine the amount, if any, of the recapture tax. Within the next 90 days, you will be given additional information that will be needed to calculate the recapture tax.

18. *Penalty.*

These statements are made under penalty of perjury. I understand that any material misstatement in this or any affidavit or certification made in connection with application for or issuance of a Mortgage Credit Certificate because I was negligent will result in a civil penalty of $1,000, *revocation of any Mortgage Credit Certificate issued in connection with the application* and any criminal penalty that may apply. Any material misstatement due to my fraud will result in a civil penalty of $10,000, *revocation of any Mortgage Credit Certificate issued in connection with the application* and any criminal penalty that may apply. I understand that perjury is a felony. A person who is convicted of perjury can be punished with a fine, imprisonment or both.

19. *Attachments.*

All documents attached to this affidavit and marked as attachments are part of this affidavit and are true and correct and not misleading.

I DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT.

NAME(S) OF APPLICANT:	SIGNATURE(S) OF APPLICANT:
_____	_____
_____	_____

Executed on _____

Worksheet One
Anticipated Annual Family Income

REQUIRED TO COMPLY WITH FEDERAL INCOME TAX LAWS
RELATING TO THE MCC PROGRAM

1. The names, relationships, ages and taxpayer identification numbers of all persons intending to reside in the Residence, including applicant, are as follows:

NAMES	RELATIONSHIP TO APPLICANT	AGES	TAXPAYER ID #

2. The name and address of the employer(s) of each person listed above, and liable on the loan, and his/her monthly gross *income is as follows:

FIRST NAME (FROM ABOVE)	EMPLOYER NAME AND ADDRESS	MONTHLY GROSS INCOME
	Total Monthly Gross Income	0.00
	Anticipated Annual Family Income x 12:	$ 0.00

All current or anticipated wages and salaries, over-time pay, part-time employment compensation, commissions, fees, tips and bonuses, and other compensation for personal services, before payroll deductions;

**"*Monthly gross income*" includes all amounts that I receive or expect to receive, whether or not I receive that amount on a regular basis. See listing for examples of the types of amounts to be included.

Net income from the operation of a business or profession (without deducting expenditures for business expansion or amortization of capital indebtedness or an allowance for depreciation of capital assets);

Any interest, dividends, royalties, and other net income of any kind from any investment or from real or personal property (without deducting expenditures for amortization of capital indebtedness or an allowance for depreciation of capital assets);

All income received from social security, annuities, insurance policies, retirement funds, pensions, Department of Veterans Affairs (VA) compensation, disability, or other benefits, and other similar types of periodic receipts, including a lump-sum payment for the delayed start of periodic payments;

Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay;

The maximum amount of welfare assistance or any other form of public assistance available to the above persons;

Periodic and determinable allowances, such as alimony and child support payments and regular contributions and gifts received from persons not residing in the Residence;

All regular pay, special pay, and allowances of a member of the Armed Forces (whether or not living in the Residence) who is the head of the household or spouse or other person whose dependents are residing in the Residence; and

Any earned income tax credit to the extent it exceeds income tax liability.

3. The Anticipated Annual Family Income for all of the above persons [the total monthly gross income from paragraph 2 above multiplied by twelve] is $_____$ 0.00_____. [Insert this figure in the blank in paragraph 1(a) of the Affidavit of Applicant.]

4. I acknowledge all of the above information is important to the issuance of a Mortgage Credit Certificate. I agree to allow my employer or any other person with knowledge about my income to provide the information to the Nevada Housing Division and its authorized agents and any authorized agent of the Treasury Department or the Internal Revenue Service.

Date: _____

_____
Applicant

_____
Applicant

Worksheet Two-Cost of Residence

1. Amount I paid to the Seller for the Residence either with cash or some other kind of payment (including any amount the Seller is required to pay as a real estate commission or loan discount points): $ 0.00

2. Any other extra amount not listed in paragraph 1 I paid or someone else paid for me to the Seller or for the Seller for the Residence either with cash or some other kind or payment: $ _____

3. If the Residence is not finished, the estimated cost of finishing it, including the cost of any necessary alterations or improvements. Does not include the value of service I or members of my family will perform in finishing the Residence. $ _____

   (Describe any alterations or improvements.)

   _____

   _____

   _____

   _____

4. If the Residence sits on leased land, the value of the lease at the time of purchase of the Residence (using a discount rate equal to the interest rate borne by the Loan). $ _____

5. Total Cost of the Residence (Total of 1, 2, 3 and 4) [INSERT THIS FIGURE IN PARAGRAPH 4 OF THE AFFIDAVIT OF APPLICANT]: $ 0.00

WORKSHEET THREE-PRIOR RESIDENCES

[NOT REQUIRED (I) FOR RESIDENCE LOCATED IN A TARGETED AREA OR (II) IF YOU ARE A QUALIFIED VETERAN)]

During the last three (3) years I have either:

(1) Rented at the following addresses for the following periods of time:
(All fields must be filled out. Please include AREA CODE. Incomplete forms will be rejected.)

Address: _____ Landlord: _____
City: _____ From:(mm/yy) _____
Phone: _____ To: (mm/yy) _____

Address: _____ Landlord: _____
City: _____ From: (mm/yy) _____
Phone: _____ To: (mm/yy) _____

Address: _____ Landlord: _____
City: _____ From: (mm/yy) _____
Phone: _____ To: (mm/yy) _____

(Indicate additional addresses on a separate sheet, if necessary.)

(2) Lived with the following members of my family (without owning a "Principal Residence"*) at the following addresses for the following periods of time:

Names: _____ Relationship: _____
Address: _____ City: _____ State: _____
Phone: _____ From: (mm/yy) _____ To: (mm/yy) _____

Names: _____ Relationship: _____
Address: _____ City: _____ State: _____
Phone: _____ From: (mm/yy) _____ To: (mm/yy) _____

Names: _____ Relationship: _____
Address: _____ City: _____ State: _____
Phone: _____ From: (mm/yy) _____ To: (mm/yy) _____

(Indicate additional addresses on a separate sheet, if necessary)

***I understand "Principal Residence" means a home that is used primarily to live in. Whether the Residence is my Principal Residence depends upon my particular circumstances, including my good faith intention to make it my Principal Residence.**

3. Lived under some other arrangement not described in (1) or (2) above without owning a "Principal Residence" at the following addresses for the following periods of time (describe the arrangements and give the names, addresses, and telephone numbers of persons who can be contacted to verify arrangements):

_____

_____

_____

TAX RETURN AFFIDAVIT

Applicant: _____ Applicant 2: _____
Loan Amount: _____ Lender: _____
Contact: _____ Telephone: _____
Subject Property Address: _____
City: _____ Zip Code: _____ County: _____

I (the *"Applicant"* or *"Applicants"*), the undersigned, promise, **UNDER PENALTY OF PERJURY**, and the penalties listed here, that each of the following statements about my tax returns are true, correct and complete.

1. *Tax Returns Attached.*
The following information is correct for all persons intending to live with me in the Residence described on the Affidavit of Applicant (CHECK WHICH APPLIES):

☐ The original tax account information letter from the Internal Revenue Service verifying the type of return I filed, my filing status and my adjusted gross income for the year most recently ended is attached. [The original tax account information letter may be used instead of furnishing copies of tax returns for persons who filed their Form 1040A or 1040EZ tax returns].

☐ A true copy of each federal income tax return for the prior 3 years are attached. If (i) the Residence is located in a Targeted Area or (ii) I am a Qualified Veteran (as defined in 38 U.S.C. Section 101), a true copy of the federal income tax return for the year most recently ended is attached.

2. * *Tax Return Not Required.*
I was not required by law to file a federal income tax return for the following year(s) and reason(s) stated below:

Year	Reason
_____	_____
_____	_____
_____	_____

3. *Material Misstatements and Penalties.*
I understand this Affidavit will be relied upon to determine my eligibility for a Mortgage Credit Certificate. I understand any material misstatement in this or any affidavit or certification made in connection with application for or issuance of a Mortgage Credit Certificate because I was negligent will result in a civil penalty of $1,000, revocation of any Mortgage Credit

* Applies only if the Applicant was ***not*** required by law to file federal income tax returns for any of the preceding three years.

Certificate issued in connection with the application and any criminal penalty that may apply. Any material misstatement due to my fraud will result in a civil penalty of $10,000, revocation of any Mortgage Credit Certificate issued in connection with the application and any criminal penalty that may apply. I understand that perjury is a felony. A person who is convicted of perjury can be punished with a fine, imprisonment or both.

4. All documents attached to this Affidavit and marked as attachments are true and correct and not misleading.

I/WE DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT.

SIGNATURE OF APPLICANT

_____

_____
NAME OF APPLICANT

_____
TAXPAYER ID NUMBER

Executed on: _____

SIGNATURE OF APPLICANT 2

_____

_____
NAME OF APPLICANT 2

_____
TAXPAYER ID NUMBER 2

Executed on: _____

Print

Save

MCC SUBMISSION COVER SHEET – STEP 2
NEVADA HOUSING DIVISION

Step 2 forms are due within 15 days after closing or MCC will be cancelled.

Lender: _____ Loan Officer: _____
Best Contact: _____ Email: _____
Lender Phone: _____
MCC Commit #: _____ MCC Expire Date: _____
Applicant: _____ Applicant 2: _____
Taxpayer ID; _____ Taxpayer ID 2: _____
Subject Property Address: _____
City: _____ Zip: _____ County: _____

Step 2 Checklist: *The following documents must be submitted in order to receive issuance of MCC. Any incomplete forms will result in denial of the MCC.*

FOR ISSUANCE OF MCC:

- ☐ Reaffirmation of Applicant
- ☐ Affidavit of Seller
- ☐ Certificate of Lender/Closing Affidavit
- ☐ Final Closing Disclosure
- ☐ Notice of Potential Recapture
- ☐ MCC Payment (Check or Money Order made to Nevada Housing Division)

As applicable, the following fee/fees must be submitted with the MCC Submission Package which is payable by check or money order payable to Nevada Housing Division.

- ☐ [$995] MCC Program Fee*
- ☐ [$25] MCC Resubmission Fee
- ☐ [$50] MCC Extension Fee
- ☐ [$325] MCC Assumption or Refinancing Fee
- ☐ [$75] Late Submission Fee

* The MCC Program Fee is waived for Applicants that are veterans or are on active military duty or currently in the U.S. National Guard or a surviving spouse.

ALL DOCUMENTS MUST BE SIGNED AND CERTIFIED TRUE AND CORRECT. COPIES ARE ACCEPTABLE.

REAFFIRMATION OF APPLICANT

(To be executed at the time of Closing)

Applicant: _____ Applicant 2: _____

Loan Amount: _____

Subject Property Address: _____

City: _____ Zip: _____ County: _____

Lender: _____ Loan Officer: _____

Best Contact: _____ Lender Phone: _____

I hereby reaffirm that the statements and information contained in the Affidavit of Applicant which I executed in connection with the Nevada Housing Division Mortgage Credit Certificate Program on the _____ day of _____ , 20 ____, including, without limitation, the computation of the Acquisition Cost of the Residence and the computation of Anticipated Annual Family Income, were true, accurate and complete when made and remain true, accurate, complete and unchanged.*

SIGNATURE OF APPLICANT

_____

_____
NAME OF APPLICANT

_____
TAXPAYER ID NUMBER

_____
EXECUTION DATE

SIGNATURE OF APPLICANT 2

_____

_____
NAME OF APPLICANT 2

_____
TAXPAYER ID NUMBER 2

*If the Acquisition Cost of the Residence or the Applicant's Anticipated Annual Family Income have changed, the Lender must have the Applicant re-execute the Affidavit of Applicant`.

AFFIDAVIT OF SELLER

Applicant: _____ Applicant 2: _____

Loan Amount: _____

Subject Property Address: _____

City: _____ Zip: _____ County: _____

Lender: _____ Loan Officer: _____

Contact: _____ Telephone: _____

The undersigned, the proposed Seller (whether one or more) of a Residence located in the Eligible Loan Area described below (the "*Residence*") to the above Applicant for which a Mortgage Credit Certificate is being sought under Nevada Housing Division Mortgage Credit Certificate Program, does hereby depose and say, under penalty of perjury, that each of the following statements are true, correct and complete in all respects:

1. *Location of Residence.*
   The Residence is located within the geographic area of the State of Nevada at:

   Subject Property Address: _____

   City: _____ Zip: _____ County: _____

2. *New Mortgage.*
   At no time prior to the date hereof has there been a mortgage on the Residence(whether in the form of a deed of trust, conditional sales contract, pledge, agreement to hold title in escrow or other form of owner financing) securing a loan to the above Applicant, the proposed purchase of the Residence, other than a construction loan, construction bridge loan or other temporary initial construction financing initially incurred for the sole purpose of acquiring the Residence and initially incurred within 24 months from the date of execution of the Loan and having an original term not exceeding 24 months.

3. *Acquisition Cost.*

   (a) The Residence is (check one):

   - ○ a newly constructed Residence which has never been occupied; or
   - ◉ an existing Residence which has been occupied previously; or
   - ○ incomplete or under construction; or
   - ○ located on leased land.

The "Acquisition Cost" to the Applicant (as determined in accordance with the Worksheet attached hereto) is $ _____ . I understand the term "Acquisition Cost" includes: (a) all amounts paid either in cash or in kind, by the Applicant (or by a related party or for the benefit of the Applicant) to me (or to a related party or for my benefit) as consideration for the Residence; (b) if the Residence is incomplete, the reasonable cost of completing it; and (c) if the Residence is being purchased subject to a ground lease, the capitalized value of the ground rent. I understand further that "Acquisition Cost" does not include: (i) settlement and financing costs (such as title and transfer fees, title insurance, survey fees, credit reference fees, legal fees, appraisal fees and points paid by the Applicant (but not points paid by me) and other similar costs) but only to the extent that such amounts do not exceed the usual and reasonable settlement and financing costs for a home mortgage loan in this area; or (ii) the value of any services to be performed by the Applicant or the Applicant's family members (include the Applicant's brothers, sisters, spouse, lineal descendants and lineal ancestors only) to complete the Residence; or (iii) the cost of the land on which the Residence is located if the Applicant owned such land at least two years prior to the commencement of the construction of the Residence.

(b) The Worksheet attached hereto sets forth an accurate calculation of the "Acquisition Cost" of the Residence to the Applicant.

4. *Verification.*

I understand the above Lender, the Internal Revenue Service, the Nevada Housing Division, or their authorized representatives, may conduct investigations in order to verify the truth and completeness of the statements set forth herein. I hereby agree to provide access to such information, including my records pertaining to the Residence, as may be necessary in connection with such verification procedure.

5. *Penalty*

I/WE DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT. . I UNDERSTAND THAT PERJURY IS A FELONY OFFENSE PUNISHABLE BY FINE OR IMPRISONMENT OR BOTH

SIGNATURE OF SELLER:

_____

_____

SIGNATURE OF SELLER:

_____

_____

Executed on: _____

WORKSHEET 4-SELLER STATEMENT OF ACQUISITION COST

1. Amount paid for the Residence, in cash or in kind, by Applicant to the Seller (including any amount which Seller is required to pay as a real estate commission or loan discount points): $ 0.00

2. Amount paid for the Residence, in each or in kind, by Applicant or any person related to the Applicant or by any person for the benefit of Applicant, to Seller or any person related to Seller or for Seller's benefit (other than the amount set forth above): $_____

3. If the Residence is incomplete or unfinished the estimated cost of completing it, including the cost of any necessary alterations or improvements. (Specify the nature of such alterations or improvements): $_____

_____

_____

_____

_____

4. If the Residence is located on leased land the capitalized value (using a discount rate equal to the interest rate borne by the Loan) of the ground rent: $_____

5. Total ACQUISITION COST: $ 0.00

CERTIFICATE OF LENDER CLOSING AFFIDAVIT

Applicant: _____ Applicant 2: _____
Loan Amount:
Subject Property Address: _____
City: _____ Zip: County: _____
Lender: _____ Loan Officer: _____
Contact: _____ Telephone: _____

I, the authorized officer of the Lender named above, do hereby certify, represent and warrant to the Nevada Housing Division (the "*Issuer*") that:

1. All terms used herein shall have the meanings attributed to them in the Program Manual for the Issuer's Mortgage Credit Certificate Program unless a different meaning is specifically defined herein or is required by the context in which the term appears.

2. I have read the Affidavit of Applicant, the Closing Affidavit, the Tax Return Affidavit and the Affidavit of Seller, if applicable (collectively, the "Affidavits"), which were executed in connection with the Mortgage Credit Certificate Application made by the above Applicant and submitted to the Issuer. Prior to the execution of such documents, I reviewed the contents thereof with the Applicant, and if applicable, the closing agent.

3. I have reviewed the credit analysis worksheet, or similar document, prepared in connection with the Loan. The worksheet accurately reflects the information the Lender has obtained concerning the monthly gross income of the Applicant, and the Lender has complied with the requirements of the Program Manual and the Lender Participation Agreement in verifying the accuracy of such information.

   (a) Based upon Worksheet One attached to the Affidavit of Applicant, to the best of the Lender's knowledge and belief the Applicant's Anticipated Annual Family Income is $ $ 0.00

4. The Nevada Housing Division is the Issuer of the MCC.

5. I have conducted or have caused to be conducted an investigation regarding the truth of the facts set forth in said Affidavits, the nature of which investigation is as follows: [DESCRIBE DETAILS OF INVESTIGATION]

_____

_____

_____

_____

NOTE: Paragraph 6 below shall be deleted in its entirety in the case of an Applicant (i) who is acquiring a Residence in a Targeted Area or (ii) is a Qualified Veteran.

6. The investigation described in paragraph 5 hereof complies with the requirements of the Program Manual and the Lender Participation Agreement, and such investigation included an examination of copies of income tax returns for the past three years provided by the Applicant which were filed with the Internal Revenue Service (or tax account information letters from the Internal Revenue Service covering such years), and the returns or information furnished indicated that during the preceding three years the Applicant did not claim deductions for Real Estate taxes or interest on indebtedness with respect to the real property constituting a Principal Residence of the Applicant. If the Applicant was not required to file a federal income tax return for all of the three years preceding the execution of the Loan, the Lender is to make sure that the Tax Return Affidavit executed by the Applicant states that fact.

7. No facts have come to my attention as a result of said investigation or otherwise which would cause me to disbelieve or doubt the truth of the Affidavits, or any portion of any of such Affidavits.

8. The Loan is secured by a valid lien on a Residence which to the knowledge of the Lender is occupied by or is to be occupied by the Applicant as his or her Principal Residence, is made in accordance with the Program Manual and the Lender Participation Agreement, and is not for the purpose of refinancing any existing loan on any such property (other than a construction period loan, construction bridge loan, or similar temporary initial construction financing initially incurred for the sole purpose of acquiring the Residence and initially incurred within 24 months of execution of the Loan and having an original term not exceeding 24 months).

9. The fees and charges collected by the Lender for the Loan are in compliance with the Program Manual and the Lender Participation Agreement. The amounts collected by the Lender to reimburse the Lender for reasonable and customary charges paid or incurred for hazard or mortgage insurance premiums, survey, title insurances, appraisal fees, abstract and attorneys' fees, recording or registration charges, escrow fees, file preparation fees, application fees, credit reports, and similar charges do not exceed the reasonable and customary amounts charged by the Lender for mortgage loans not made in connection with the Program.

10. To the best knowledge of the Lender, the Applicant has not conveyed the Applicant's right, title or interest to or in the property to any party other than a trust for the benefit of such mortgagor and/or members of such Applicant's immediate family.

11. No portion of the financing of the Residence has come from the proceeds of qualified mortgage bonds or qualified veterans' mortgage bonds.

12. I DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT. I UNDERSTAND THAT PERJURY IS A FELONY OFFENSE PUNISHABLE BY FINE OR IMPRISONMENT OR BOTH.

13. All capitalized terms used in this Certificate of Lender and not otherwise defined herein have the meanings attributed to them in the Program Manual distributed by the Issuer in connection with the Program.

14. The undersigned, in connection with the Issuer's Mortgage Credit Certificate Program, hereby certifies, that the attached closing statements are true and correct copies of the closing statements prepared and delivered in connection with the following transaction.

SELLER/BUILDER: _____

PURCHASER: _____ _____

LENDER: _____

PROPERTY ADDRESS: _____

_____ _____ _____

CLOSING DATE: _____

LOAN AMOUNT: _____

REFINANCING LOAN WITH EXISTING MCC: ◉ NO ○ YES*

LENDER: _____

By: _____

Name: _____

Title: _____

NOTICE OF POTENTIAL RECAPTURE

TO BE COMPLETED BY LENDER AND DELIVERED TO APPLICANT AT THE TIME OF CLOSING OF THE LOAN

INTRODUCTION

1. *General*.
When you sell your home you may have to pay a recapture tax as calculated below. The recapture tax may also apply if you dispose of your home in some other way. Any references in this notice to the "sale" of your home also include other ways of disposing of your home. For instance, you may owe the recapture tax if you give your home to a relative.

2. *Exceptions*.
In the following situations, no recapture tax is due and you do not need to do the calculations:

(a) You dispose of your home later than nine years after you close your mortgage loan;

(b) Your home is disposed of as a result of your death;

(c) You transfer your home either to your spouse or to your former spouse incident to divorce and you have no gain or loss included in your income under Section 1041 of the Internal Revenue Code; or

(d) You dispose of your home at a loss.

3. *Maximum Recapture Tax.*
The maximum recapture tax that you may be required to pay as an addition to your federal income tax is $ 0.00 [insert the actual dollar amount resulting from the product of 6.25% multiplied by the highest principal amount of the mortgage loan]. This amount is 6.25% of the highest principal amount of your mortgage loan and is your federally subsidized amount with respect to the loan.

4. *Actual Recapture Tax*.
The actual recapture tax, if any, can only be determined when you sell your home, and is the lesser of (1) 50% of your gain on the sale of your home, regardless of whether you have to include that gain in your income for federal income tax purposes, or (2) your recapture amount determined by multiplying the following three numbers:

(a) $ 0.00 [insert the actual dollar amount resulting from the product of 6.25% multiplied by the highest principal amount of the mortgage loan] (the maximum recapture tax, as described in paragraph B above),

(b) The holding period percentage, as listed in Column 1 in the attached Table, and

(c) The income percentage, as described in paragraph D below.

For purposes of convenience, current recapture tax calculations are included behind the attached Table.

5. *Income Percentage*.

You calculate the income percentage as follows:

(a) *Subtract* the applicable *adjusted qualifying income* in the taxable year in which you sell your home, as listed in Column 2 in the attached Table, *from* your *modified adjusted gross income* in the taxable year in which you sell your home. Your modified adjusted gross income means your adjusted gross income shown on your federal income tax return for the taxable year in which you sell your home, with the following two adjustments:

(i) your adjusted gross income must be increased by the amount of any interest that you receive or accrue in the taxable year from tax-exempt bonds that is excluded from your gross income (under Section 103 of the Internal Revenue Code); and

(ii) your adjusted gross income must be decreased by the amount of any gain included in your gross income by reason of the sale of your home.

(b) If the amount calculated in (a) above is zero or less, you owe no recapture tax and do not need to make any more calculations. If it is $5,000 or more, your income percentage is 100%. If it is greater than zero but less than $5,000, it must be divided by $5,000. This fraction, expressed as a percentage, represents your income percentage. For example, if the fraction is $1,000/$5,000, your income percentage is 20%.

6. *Limitations and Special Rules on Recapture Tax*.

(a) If you give away your home (other than to your spouse or ex-spouse incident to divorce), you must determine your actual recapture tax as if you had sold your home for its fair market value.

(b) If your home is destroyed by fire, storm, flood, or other casualty, there generally is no recapture tax if, within two years, you purchase additional property for use as your principal residence on the site of the home financed with your original subsidized mortgage loan.

(c) In general, except as provided in future regulations, if two or more persons own a home and are jointly liable for the subsidized mortgage loan, the actual recapture tax is determined separately for them based on their interests in the home.

(d) If you repay your loan in full during the nine-year recapture period and you sell your home during this period, your holding period percentage may be reduced under the special rule in Section 143(m)(4)(C)(ii) of the Internal Revenue Code.

(e) Other special rules may apply in particular circumstances. You may wish to consult with a tax advisor or the local office of the Internal Revenue Service when you sell or otherwise dispose of your home to determine the amount, if any, of your actual recapture tax. See Section 143(m) of the Internal Revenue Code generally.

Please acknowledge your receipt of a copy of this notice by signing below.

Applicant Signature	Applicant 2 Signature
Applicant Printed Name	Applicant 2 Printed Name