

2016 Summary of Programs

NORTH CAROLINA HOUSING FINANCE AGENCY

HOMEOWNERSHIP PROGRAMS FOR CONSUMERS

The N.C. Home Advantage Mortgage™ offers down payment help for both first-time and move-up home buyers up to 5% of the loan amount. This interest-free, 15-year deferred second mortgage is forgiven at a rate of 20% a year in years 11 through 15. The loans may be conventional, FHA, USDA or VA eligible mortgages. The mortgage loans are funded with financing through the sale of Ginnie Mae and Fannie Mae mortgage-backed securities.

The Mortgage Credit Certificate (MCC), available to first-time buyers and veterans, is a federal tax credit that reduces a homeowner's federal tax liability, dollar-for-dollar, by 30% of the mortgage interest they pay. Homeowners purchasing new homes are eligible for a tax credit of up to 50% of the mortgage interest. The maximum MCC tax credit is \$2,000 for every year that the buyer occupies the home as their primary residence. The MCC has its own sales price and income limits. The MCC can also be combined with the N.C. Home Advantage Mortgage™.

Both N.C. Home Advantage Mortgage™ and the MCC are offered through participating lenders, which operate nearly 700 branch offices statewide. Go to www.nchfa.com or call 1-800-393-0988 and ask to speak with an underwriter.

N.C. FORECLOSURE PREVENTION FUND AND HOUSING COUNSELING RESOURCES

The N.C. Foreclosure Prevention Fund helps North Carolina homeowners who are struggling to pay their mortgage due to job loss or other temporary financial hardship, while they seek or retrain for new employment. The Fund also helps re-employed workers who have missed payments or are earning less. The Fund also assists returning veterans who are transitioning to civilian jobs. The Fund is offered by the N.C. Housing Finance Agency using funds from the U.S. Treasury. Services are provided by participating HUD-approved housing counseling agencies statewide.

Mortgage payment assistance is offered as a zero-interest, deferred loan up to \$36,000 to cover mortgage and related expenses for up to 36 months. The loan can also be used to bring the mortgage current. Homeowners who are re-employed after an eligible hardship but earning less and unable to pay the mortgage may be eligible for a no-interest, deferred loan to reduce the principal balance and lower their mortgage payments. Homeowners who were unemployed and have since secured a fixed income may also be eligible. All assistance is forgiven at a rate of 20% per year after five years, as long as the homeowner continues to occupy the home.

Assistance is provided as a zero-interest, deferred loan of up to \$30,000, plus all related fees to pay off an existing second mortgage. No repayment is due until the owner refinances or sells the home.

Consumers should go to www.NCForeclosurePrevention.gov or call 1-888-623-8631.



The State Home Foreclosure Prevention Project offers free help, including counseling, access to legal services and assistance working with servicers. The program was created by the General Assembly in 2008 and is available to homeowners who have received a 45-day, pre-foreclosure notice. Consumers should call 1-888-442-8188.

