



## COUNTY OF ORANGE MORTGAGE CREDIT CERTIFICATE (MCC) PROGRAM

### PROGRAM LENDER AGREEMENT

This document serves as an AGREEMENT, made and entered into, by \_\_\_\_\_, hereafter referred to as "Lender", in connection with the Orange County Mortgage Credit Certificate (MCC) Program (the "MCC Program"), administered by National Homebuyers Fund, Inc. (NHF).

#### **PURPOSE OF MCC PROGRAM**

The MCC Program is designed to help make ownership of new and existing homes more affordable for individuals and families with low-to-moderate incomes, especially first-time buyers. The MCC allows a qualified homebuyer to claim a tax credit for a portion of the mortgage interest paid per year. The credit is a dollar-for-dollar reduction against the homeowner's federal income tax liability. An MCC can also help a homebuyer qualify for the initial mortgage loan.

#### **MCC PROGRAM GUIDELINES**

Applicable MCC Program guidelines are published by the Administrator in the MCC Program Manual ("Manual") and associated documents available online at [www.nhfloan.org](http://www.nhfloan.org). Any subsequent revisions to the MCC Program Manual are published via Lender Alerts and also made available online.

#### **AGREEMENT**

By its acceptance hereof, Lender agrees to the terms and conditions specified in the Manual as well as all subsequent Lender Alerts.

1. Program Administrator hereby designates the Lender as its non-exclusive agent for receipt and processing of applications for MCCs.
2. The Lender agrees to adequately prepare those of its representatives that will assist the Lender in participating in the MCC Program by providing them with training and current materials before assigning them to work on the MCC Program.
3. The Lender agrees to make information regarding the MCC Program available to all borrowers who request or may qualify for the MCC Program. The Lender will timely and in good faith review and process the application for potential borrowers in order to determine their eligibility for the MCC Program and to efficiently complete the application and issuance process.
4. The Lender agrees to work cooperatively with the Program Administrator to represent the MCC Program fairly and accurately to the borrower.
5. The Lender will obtain from the borrower all documents and information required for the application for and issuance of an MCC, as directed by the Program Administrator. The Lender will take the estimated tax credit into consideration when qualifying the borrower for the first mortgage.
6. The Lender will conduct such reasonable investigation as is necessary to certify that the borrower has satisfied all requirements of the MCC Program.
7. The Lender will charge a potential borrower applying for an MCC only those reasonable lending fees the Lender would charge a potential borrower applying for mortgages not connected with an MCC. In addition, the Lender agrees to pay to the Program Administrator the fees specified in the Manual for processing each MCC.
8. The Lender will perform all investigation and verification that it would normally perform for underwriting a mortgage not accompanied by an MCC application.
9. The Lender will notify the borrower and the Program Administrator in writing of any decision to cancel processing for any particular MCC. Program Administrator reserves the right to reserve the right to implement a cancellation fee, (not to exceed \$100 per transaction) upon the Lender should there be excessive cancellations by a Lender.

The Lender will strive to achieve and maintain a high standard of quality in its MCC-related work and submissions to the Program Administrator. The Lender agrees to comply with all timelines established by the MCC Program, as reflected in the Manual, and to pay any and all late fees charged by Program Administrator, at the Program Administrator's discretion, for errors and missed deadlines. The Lender further agrees to take immediate steps to correct any errors and missed deadlines upon request of the Program Administrator.

10. The Lender agrees to designate an MCC contact person for each of its branches. This contact person must attend at least one MCC Program training session, as conducted by Program Administrator, and will be responsible for timely circulation of MCC Program correspondence to other personnel within the branch who perform work on the MCC Program. The contact person, or other persons appointed by the Lender, shall be responsible for remedying problems related to errors or missed deadlines.
11. The Lender agrees to keep complete files of each MCC-related loan for six (6) years following origination of the loan. The Lender further agrees to make accurate and timely annual filings of IRS form #8329 which includes any mortgage loans originated in the prior calendar year. The Lender accepts full responsibility for these requirements irrespective of if and when the MCC loan is sold to another party.
12. The Lender agrees to inform the Program Administrator of any changes to the information on the Lender Profile Form, especially those changes relating to the MCC contact persons and their replacements.
13. This Agreement shall remain in full force and effect until terminated. This Agreement may be terminated by the Program Administrator or Lender upon the giving of 30 days written notice, specifying in such notice the effective date of the termination. Notwithstanding any such termination, the Lender agrees that it shall continue to file any and all reports required to be filed with the Internal Revenue Service, and shall maintain all records required to be maintained by it pursuant to the Code.
14. The Program Administrator may immediately terminate this Agreement and prohibit the Lender from participating in the MCC Program upon the Lender's failure to comply with the terms and conditions of this Agreement and upon written notice by the Program Administrator. No amendment to this Agreement shall be effective unless reflected in writing and signed by both parties hereto or unless posted on the Program Administrator's website.

**This Agreement has been executed as of \_\_\_\_\_ and is signed by a designated representative of the lending company.**

Company Name (*Lender*): \_\_\_\_\_

Authorized Contact's Signature: \_\_\_\_\_

Authorized Contact's Name (*Please Print*): \_\_\_\_\_

Contact's Title: \_\_\_\_\_

Contact Phone #: \_\_\_\_\_

Contact Email: \_\_\_\_\_

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**This executed Agreement is to be submitted to the Program Administrator's office with:**

- 1) Completed Lender Profile Form
- 2) One completed original of this MCC Program Lender Agreement;
- 3) Mail to: **National Homebuyers Fund, Inc.**  
**Program Administrator**  
**1215 K Street, Suite 1650**  
**Sacramento, CA 95814**  
**Phone: (866) 643-4968**  
**Fax: (916) 444-3551**