



LENDER NOTICE

Mortgage Credit Certificate (MCC)

March 8, 2021

Introduction

This lender notice relates to USDA Rural Development's recent update as directed under their SFH Guaranteed Origination – Notification of HB-1-3555, Chapter 9, Mortgage Credit Certificate Guidance.

Summary

USDA RD has updated several chapters in Handbook 1-3555, including Chapter 9, in conjunction with the implementation of the new Guaranteed Underwriting System (GUS) on March 1, 2021.

Previously, Mortgage Credit Certificates were treated as a reduction of the principal, interest, taxes, and insurance (PITI) payment; however, new GUS requires the MCC as an addition to repayment income. This change aligns the program with the rest of the mortgage industry and the new Uniform Residential Loan Application (URLA).

For additional guidance, see Notification of [HB-1-3555, Chapter 9](#), Mortgage Credit Certificate Guidance regarding the treatment of Mortgage Credit Certificates (MCC).

Effective Date: April 1, 2021

All applications must adhere to the new guidance, requiring the Mortgage Credit Certificate to be applied to repayment income.

If you have any questions, please contact Lisa Ford at 603.310.9245 or lford@nhhfa.org.

For more information on all of our programs, see our [Lender Selling Guide](#).

If you would like your staff to be trained on the program, please contact Lisa Ford at 603.310.9245 or lford@nhhfa.org.

Sincerely,

Homeownership Team
New Hampshire Housing
ownershipinfo@nhhfa.org
www.nhhfa.org/lenders



About New Hampshire Housing As a self-sustaining public corporation, New Hampshire Housing Finance Authority promotes, finances and supports affordable housing. NHHFA operates a number of rental and homeownership programs that assist low- and moderate-income persons in obtaining affordable housing. Since its inception, NHHFA has helped more than 50,000 families purchase their own homes and has been instrumental in financing the creation of almost 15,000 multi-family housing units. NHHFA.org/Lenders