



ADFA Single Family Homeownership Programs

- "ADFA Advantage" - Tax Exempt Mortgage Revenue Bonds
- "ADFA Move-up" - Sale of Mortgage Backed Securities
- "ADFA Move-Up Choice" - **COMING SOON**
- Down Payment Assistance (DPA)
- Arkansas Dream Down Payment Initiative (ADDI)
- First Time Homebuyer Federal Tax Credit (MCC)

Eligible Mortgage Types

- FHA Insured Loans
- V.A. Guaranteed Loans
- Rural Development 502 Guaranteed Loans
- Conventional-HFA Preferred 97 & 95

900 West Capitol, Suite 310, Little Rock, AR 72201
www.adfa.arkansas.gov
501-682-5900





■ "ADFA Advantage" - Tax Exempt Mortgage Revenue Bond

- Very low 1st mortgage interest rate – 2.5%
- First Time Homebuyer requirements apply. Cannot have owned a principal residence in the last 3 years.
- Does require Pre-Purchase Homebuyer Education Class
- Full compliance documentation required
- Income Limits not to be exceeded from published list for 2015
- Verify income for primary or secondary borrower on the Note including child support
- Household income does not apply
- Can be used with our DPA or ADDI programs
- When using ADDI, borrowers must comply with ADDI income limits and guidelines
- 30 year term, fully amortizing
- DTI - 45%
- Credit Scores: FHA – 660, VA, RD, HFA Conventional 95% - 640, HFA Conventional 97% - 680
- No Manual Underwriting for FHA loans or 97% HFA Conventional loans
- Manual Underwriting allowed for VA, RD, HFA Conventional 95%
- Purchase Price Limit - \$250,000
- No Manufactured Housing
- Recapture applies
- First Time Homebuyer Federal Tax Credit (MCC) is not available
- Cannot be used with "ADFA Move-Up Choice"

■ "ADFA Move – Up"

- Rate is set daily and sent to all participating lenders
- Reservations 9am - 4pm daily
- No First Time Homebuyer requirement.
- Does not require Pre-Purchase Homebuyer Education Class
- Purchase Price Limit - \$250,000
- Income Limits: 1-2 persons \$100,000 3+ persons \$130,000
- Verify Borrower and Co-Borrower income.
- Household income does not apply
- When using ADDI, borrowers must comply with ADDI income limits and guidelines
- Can be used with DPA or ADDI
- Can be used with First Time Homebuyer Federal Tax Credit (MCC).
- No lien documents required
- No ADFA Exhibits required for origination or closing
- Only ADFA Exhibits 6-G and 6-H are required
- No recapture





■ **"ADFA Move–UpChoice" COMING SOON**

- Has all of the features of the "ADFA – Move-Up"
- 4% of the purchase price
- Interest Rate for (Grant) is higher than rate for "ADFA Move-Up"
- Sales Price \$250,000
- Does require Pre-Purchase Homebuyer Education Class
- Income limits: 1-2 persons \$100,000 or 3+ \$130,000
- When using ADDI, borrowers must comply with ADDI income limits and guidelines
- Does not require an HQS Inspection unless using ADDI
- Lien documents required with Grant
- No Recapture
- Can be used with DPA or ADDI
- Can be used with First Time Homebuyer Federal Tax Credit (MCC)

■ **Arkansas Dream Down Payment Initiative (ADDI)**

- Does have to be a first time homebuyer regardless of the county
- Does require Pre-Purchase Homebuyer Education Class
- Cannot have owned any property in the last three years
- Does have income limits that cannot be exceeded
- Does have a purchase price limit - \$250,000
- Can receive up to 6% of the Sales Price not to exceed \$10,000
- Forgivable 1/60th per month over 5 year term
- Does require an HQS inspection
- Cannot be used as a Standalone, but can be paired with First Time Homebuyer Federal Tax Credit (MCC) for this purpose
- Can be used with "ADFA Advantage", "ADFA Move-Up", "ADFA Move-Up Choice" or First Time Homebuyer Federal Tax Credit (MCC)
- Does not have a credit score requirement
- Cannot receive cash back at closing
- Cannot be used for repairs, principal reduction or to pay debt to qualify





■ Down Payment Assistance (DPA)

- Does not have to be a first time homebuyer
- Does not have household income limits
- Does not have a purchase price
- 4%, 10 year term, \$1,000 - \$6,000 Loan Amount, \$60.75 maximum payment
- Does not require an HQS inspection
- Can be used with "ADFA Advantage", "ADFA Move-Up" or "ADFA Move-Up Choice" (Grant) program
- Can receive POC items back at closing
- DPA has no credit score requirement
- Cannot be used for repairs, principal reduction or to pay debt to qualify

■ First Time Homebuyer Federal Tax Credit (MCC)

- An MCC is a First-Time Homebuyer program that was authorized by congress in the 1984 Tax Reform Act as a means of providing housing assistance to families of low and moderate income.
- It provides for a Federal tax credit up to \$2,000 per year that reduces the amount of Federal income tax paid by the borrower, giving more available income to qualify for a mortgage loan and assist with house payments.
- The Borrower can claim the Federal tax credit each year as long as the home is the borrower's primary residence.
- The Amount of the tax credit is equal to the annual mortgage interest paid multiplied by the MCC Tax Credit Rate of 50%.
- MCC's can be used with FHA, VA, RD, HFA Conventional 95% and 97%, Move Up, or as a Standalone.
- MCC cannot be used with "ADFA Advantage" Both are IRS Mortgage Subsidies. You may use one or the other, but not both.
- Loans must be fixed rate and fully amortizing
- A "tax credit" entitles the taxpayer to subtract the amount of the credit from their total Federal income tax liability resulting in a "dollar for dollar" tax savings.





MCC Example:

Mortgage Amount	\$150,000
Interest Rate	3.75%
Total Interest Paid First Year	\$ 5,625
MCC Tax Credit Rate	x 50%
Total MCC Benefit	\$ 2,812.50 (\$2,000 Max Cap)

- The maximum amount of tax credit allowed is \$2,000.00 per year or a monthly amount of \$166.66.
- The borrower claims the tax credit when they file their Form 1040 "U.S. Individual Income Tax Return" annually. They must use Form 8396 "Mortgage Interest Credit" to claim the credit. They may itemize if they choose.
- The credit may be claimed for the life of the loan as long as the home is their primary residence.
- To take advantage of the tax credit as soon as possible, the borrower may go to their employer and adjust their W-4's to reflect the anticipated credit. A \$2,000 tax credit + 12 = \$166.66 monthly results in additional income that can be used for qualifying purposes.
- To qualify for the MCC program the borrower does have to meet the first time homebuyer requirement.
- A non- borrower spouse or co-occupant must meet the first time homebuyer requirement as well.
- A Targeted Area is a qualified census tract or an area of chronic economic distress as designated by the IRS. If property is located in a Targeted County, the first time homebuyer requirement does not apply.
- Veterans and spouses of veterans are exempt from the first time homebuyer requirement.
- In general, a First-Time Homebuyer is an eligible borrower who has **NOT** had a present ownership interest in a principal residence at any time during the three year period prior to the date of closing.
- Each county has income limits that the household cannot exceed based on the size of the household.
- No income restrictions may apply to Targeted Counties. ADFA approval required.
- Income Limits apply. The same as "ADFA Advantage".
- Sales Price \$250,000
- ADDI Funds may be used for MCC fees.





For the Recapture Tax to apply, ALL of the following conditions must be met:

- Sell the home within nine (9) years.
- Make a net profit on the sale of the home.
- Borrower's household income must increase at least 5% each year.

We estimate that 96% of the borrowers will not be subject to the recapture tax.

Note: ADFA will not reimburse MCC borrower's that are required to pay the recapture tax.



ARKANSAS DEVELOPMENT FINANCE AUTHORITY			
“ADFA Advantage” & Mortgage Credit Certificate (MCC) Program-Income Limits			
PURCHASE PRICE LIMIT-\$250,000			
Income Limits by County and Household Size (Effective August 1, 2015)			
N=Non-Targeted		2015 INCOME LIMITS	
T=Targeted		1-2 MEMBER	3-MORE MEMBER
N/T	COUNTY	HOUSEHOLD	HOUSEHOLD
N	Arkansas	\$63,442	\$72,958
N	Ashley	\$61,440	\$71,680
N	Baxter	\$56,400	\$65,800
N	Benton	\$62,342	\$71,693
N	Boone	\$60,720	\$70,840
T	Bradley	\$63,480	\$74,060
T	Calhoun	\$63,480	\$74,060
N	Carroll	\$57,120	\$66,640
T	Chicot	\$63,480	\$74,060
T	Clark	\$63,480	\$74,060
N	Clay	\$53,640	\$62,580
T	Cleburne	\$63,480	\$74,060
N	Cleveland	\$58,800	\$68,600
T	Columbia	\$63,480	\$74,060
T	Conway	\$63,480	\$74,060
N	Craighead	\$63,022	\$72,475
T	Crawford	\$63,480	\$74,060
T	Crittenden	\$69,600	\$81,200
T	Cross	\$63,480	\$74,060
T	Dallas	\$63,480	\$74,060
T	Desha	\$63,480	\$74,060
T	Drew	\$63,480	\$74,060
N	Faulkner	\$63,400	\$72,910
N	Franklin	\$53,640	\$62,580
N	Fulton	\$53,640	\$62,580
N	Garland	\$58,320	\$68,040
N	Grant	\$63,100	\$72,565
N	Greene	\$58,800	\$68,600
N	Hempstead	\$54,720	\$63,840
N	Hot Spring	\$60,000	\$70,000
N	Howard	\$53,880	\$62,860
N	Independence	\$55,800	\$65,100
N	Izard	\$53,640	\$62,580
N	Jackson	\$53,640	\$62,580
T	Jefferson	\$63,480	\$74,060
N	Johnson	\$53,640	\$62,580
T	Lafayette	\$63,480	\$74,060
N	Lawrence	\$53,640	\$62,580
T	Lee	\$63,480	\$74,060

"ADFA Advantage" & MCC Program Income Limits-Continued

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N=Non-Targeted		2015 INCOME LIMITS	
T=Targeted		1-2 MEMBER	3-MORE MEMBER
<u>N/T</u>	<u>COUNTY</u>	<u>HOUSEHOLD</u>	<u>HOUSEHOLD</u>
T	Lincoln	\$63,480	\$74,060
N	Little River	\$62,400	\$72,800
N	Logan	\$59,520	\$69,440
N	Lonoke	\$63,400	\$72,910
T	Madison	\$70,440	\$82,180
N	Marion	\$53,640	\$62,580
N	Miller	\$62,880	\$73,142
T	Mississippi	\$63,480	\$74,060
T	Monroe	\$63,480	\$74,060
N	Montgomery	\$55,080	\$64,260
T	Nevada	\$63,480	\$74,060
N	Newton	\$53,640	\$62,580
T	Ouachita	\$63,480	\$74,060
T	Perry	\$76,080	\$88,760
T	Phillips	\$63,480	\$74,060
N	Pike	\$53,640	\$62,580
N	Poinsett	\$53,640	\$62,580
N	Polk	\$53,640	\$62,580
N	Pope	\$59,880	\$69,860
T	Prairie	\$63,480	\$74,060
N	Pulaski	\$63,400	\$72,910
N	Randolph	\$59,160	\$69,020
T	St. Francis	\$63,480	\$74,060
N	Saline	\$63,400	\$72,910
T	Scott	\$63,480	\$74,060
T	Searcy	\$63,480	\$74,060
N	Sebastian	\$56,520	\$65,940
N	Sevier	\$53,640	\$62,580
N	Sharp	\$53,640	\$62,580
N	Stone	\$54,360	\$63,420
N	Union	\$60,600	\$70,700
N	Van Buren	\$54,240	\$63,280
N	Washington	\$62,342	\$71,693
T	White	\$63,480	\$74,060
T	Woodruff	\$63,480	\$74,060
T	Yell	\$63,480	\$74,060

ARKANSAS DEVELOPMENT FINANCE AUTHORITY									
ARKANSAS DREAM DOWNPAYMENT INITIATIVE (ADDI)/HOME PROGRAM									
2016 INCOME LIMITS									
HUD HOME PROGRAM INCOME LIMITS 06/06/2016									
NUMBER OF PERSONS/MAXIMUM HOUSEHOLD INCOME AT 80% OF MEDIAN INCOME									
COUNTY NAME	1	2	3	4	5	6	7	8	
Arkansas	28,850	33,000	37,100	41,200	44,500	47,800	51,100	54,400	
Ashley	27,300	31,200	35,100	38,950	42,100	45,200	48,300	51,450	
Baxter	26,150	29,900	33,650	37,350	40,350	43,350	46,350	49,350	
Benton	34,500	39,400	44,350	49,250	53,200	57,150	61,100	65,050	
Boone	27,350	31,250	35,150	39,050	42,200	45,300	48,450	51,550	
Bradley	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200	
Calhoun	25,700	29,350	33,000	36,650	39,600	42,550	45,450	48,400	
Carroll	26,850	30,650	34,500	38,300	41,400	44,450	47,500	50,600	
Chicot	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200	
Clark	28,000	32,000	36,000	40,000	43,200	46,400	49,600	52,800	
Clay	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200	
Cleburne	28,250	32,250	36,300	40,300	43,550	46,750	50,000	53,200	
Cleveland	26,500	30,300	34,100	37,850	40,900	43,950	46,950	50,000	
Columbia	27,300	31,200	35,100	38,950	42,100	45,200	48,300	51,450	
Conway	26,450	30,200	34,000	37,750	40,800	43,800	46,850	49,850	
Craighead	29,500	33,700	37,900	42,100	45,500	48,850	52,250	55,600	
Crawford	27,300	31,200	35,100	38,950	42,100	45,200	48,300	51,450	
Crittenden	33,700	38,500	43,300	48,100	51,950	55,800	59,650	63,500	
Cross	27,650	31,600	35,550	39,500	42,700	45,850	49,000	52,150	
Dallas	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200	
Desha	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200	
Drew	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200	
Faulkner	35,200	40,200	45,250	50,250	54,300	58,300	62,350	66,350	
Franklin	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200	
Fulton	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200	
Garland	28,550	32,600	36,700	40,750	44,050	47,300	50,550	53,800	
Grant	33,850	38,650	43,500	48,300	52,200	56,050	59,900	63,800	
Greene	27,650	31,600	35,550	39,450	42,650	45,800	48,950	52,100	
Hempstead	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200	
Hot Spring	28,500	32,550	36,600	40,650	43,950	47,200	50,450	53,700	
Howard	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200	
Independence	25,550	29,200	32,850	36,500	39,450	42,350	45,300	48,200	
Izard	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200	
Jackson	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200	
Jefferson	26,500	30,300	34,100	37,850	40,900	43,950	46,950	50,000	
Johnson	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200	
Lafayette	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200	
Lawrence	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200	
Lee	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200	
Lincoln	26,500	30,300	34,100	37,850	40,900	43,950	46,950	50,000	
Little River	29,350	33,550	37,750	41,900	45,300	48,650	52,000	55,350	

HUD HOME PROGRAM INCOME LIMITS 06/06/2016 **								
NUMBER OF PERSONS/MAXIMUM HOUSEHOLD INCOME AT 80% OF MEDIAN INCOME								
COUNTY NAME	1	2	3	4	5	6	7	8
Logan	26,750	30,550	34,350	38,150	41,250	44,300	47,350	50,400
Lonoke	35,200	40,200	45,250	50,250	54,300	58,300	62,350	66,350
Madison	34,500	39,400	44,350	49,250	53,200	57,150	61,100	65,050
Marion	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200
Miller	30,350	34,650	39,000	43,300	46,800	50,250	53,700	57,200
Mississippi	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200
Monroe	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200
Montgomery	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200
Nevada	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200
Newton	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200
Ouachita	25,400	29,000	32,650	36,250	39,150	42,050	44,950	47,850
Perry	35,200	40,200	45,250	50,250	54,300	58,300	62,350	66,350
Phillips	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200
Pike	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200
Poinsett	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200
Polk	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200
Pope	27,100	30,950	34,800	38,650	41,750	44,850	47,950	51,050
Prairie	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200
Pulaski	35,200	40,200	45,250	50,250	54,300	58,300	62,350	66,350
Randolph	26,250	30,000	33,750	37,500	40,500	43,500	46,500	49,500
St. Francis	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200
Saline	35,200	40,200	45,250	50,250	54,300	58,300	62,350	66,350
Scott	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200
Searcy	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200
Sebastian	27,300	31,200	35,100	38,950	42,100	45,200	48,300	51,450
Sevier	25,450	29,050	32,700	36,300	39,250	42,150	45,050	47,950
Sharp	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200
Stone	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200
Union	27,000	30,850	34,700	38,550	41,650	44,750	47,850	50,900
Van Buren	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200
Washington	34,500	39,400	44,350	49,250	53,200	57,150	61,100	65,050
White	31,000	35,400	39,850	44,250	47,800	51,350	54,900	58,450
Woodruff	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200
Yell	25,050	28,600	32,200	35,750	38,650	41,500	44,350	47,200
HUD Reviews the income limits annually for all 75 counties.								

AFDA APPROVED HOMEBUYER COUNSELING AGENCIES						Last Revised 2/4/2016	DEFAULT	HOMEBUYER
	EMPLOYEE NAME	TITLE	PHONE#	FAX#	E-MAIL	COUNSELING	EDUCATION	
Arkansas River Valley Area Council, Inc. (ARVAC) 613 N. 5th St, PO Box 808 Dardanelle, AR 72834-3400	Stephanie Ellis Audra Butler	Exec. Director HB Counselor	479-229-4861 479-229-4861 479-447-0780	479-229-4863	sellis@arvacinc.org audrabutler@butler@arvacinc.org arvac@arvacinc.org		X	
Better Community Development, Inc. (BCD, Inc.) 3805 West 12th St, Suite 203 Little Rock, AR 72204	Rev William Robinson Ruth Jones	Exec. Director HB Counselor	501-379-1538 501-379-1561	501-372-1044 501-379-1577	revrobinson@bcdinc.org rajones@bcdinc.org		X	
Boys, Girls, Adults Community Dev. Center PO Box 1356 Marvell, AR 72366	Beatrice Shelby Valerie Hansberry	Exec. Director HB Counselor	870-829-3274 870-816-4337	870-829-2282	bgacdc@suddenlinkmail.com valeriehansberry@yahoo.com		X	
Community Resources Tech 800 Scott St., PO Box 3616 Little Rock, AR 72203-4614	Deborah Cooper Phyllis Taylor	Exec. Director HB Counselor	501-372-2611	501-372-1044	commtech2704@sbcglobal.net commtech2704@sbcglobal.net	X	X	
Crawford-Sebastian Community Dev. Council 4831 Armour St., P.O. Box 4069 Fort Smith, AR 72904-4523-	Mark Whitmer Karen Phillips Griselda Perez	Exec. Director Director HB Counselor Mgr	479-785-2303 479-785-2303 x 101	479-785-2341	mwhitmer@cscdcca.org kphillips@cscdcca.org gperez@cscdcca.org	X	X	
Credit Counseling of Arkansas 1111 Zion Rd Fayetteville, AR 72703-5013	Bill Robertson Joel Doelger	Exec. Director Dir. Community Relations & HB Counselor	479-521-8877 800-889-4916	479-521-9200	billr@ccoacares.com joeld@ccoacares.com	X	X	
Dream Makers Housing Counseling Agency, Inc. PO Box 9115 Pine Bluff, AR 71611	Frances Miles-Newsome	Exec. Director	501-312-9980	501-823-0584	dreamm4823@aol.com		X	
Family Service Agency (CCCS, Inc.) 628 W. Broadway, St 102 North Little Rock, AR 72114	Wanda Jackson-Cohns Bob Fixott	VP for Financial Program Services HB Counselor	501-753-0202 x 706	501-753-6730	wcohn@fsainc.org bfixott@fsainc.org	X	X	
HOME Source, Inc. 3950 Highway 7 North Hot Springs, AR 71909	Shawn Futch	HB Counselor	501-366-7968 501-204-9026	n/a	s.futch@bigredrealty.com info@yourhomesource.org		X	
In Affordable Housing, Inc. 108 S. Rodney Parham Little Rock, AR 72205-4708	Roma Isom	Exec. Director Class @ Hinton Comm. Center	501-221-2203	501-221-2279	roma.isom@yahoo.com	X	X	
Jonesboro Urban Renewal & Housing Authority 330 Union St Jonesboro, AR 72401-2815	Sharon Poe Michele Allen	HCDO Housing Counselor, HO Prog	870-935-9800 870-336-9619	870-935-6872	jurha@jurha.org Michelea@jurha.org	X	X	
Mississippi County Arkansas EOC. PO Box 1289 (Sub-Grantee of ADFA) Blytheville, AR 72316	Sam Scruggs C. Diane Taylor	Exec. Director HB Counselor	870-776-1054 870-776-1054	870-776-1875	sam.scruggs@sbcglobal.net c.dianet@yahoo.com		X	
Northwest Regional Housing Authority P.O. Box 2568 114 Sisco Avenue Harrison, AR 72602-2568	Ken McDowell Neal Gibson Troy Clark	Exec. Director Assistant Exec. Director Counselor, Prog. Director	870-741-5522 870-743-6779 870-743-3137	870-741-9234	kdmcdowell@windstream.net selfhelphousing@windstream.net tclark@nwregionalthousing.org	X	X	
Promise Land CDC PO Box 195826 Little Rock, AR 72219	Pastor Antoine Scruggs Rose Hopkins	Exec. Director HB Counselor	501-570-0048	n/a	promiselandcdc1@yahoo.com	X	X	

Southern Bancorp Community Partners 502 Cherry Street Helena, AR 72342	Karama Neal	Exec. Director	501-850-8978	870-816-1105	karama.neal@southerpartners.org	X	X
	Vida Fielder	MB Counselor	870-816-1126		vida.fielder@southernpartners.org		
United Housing 2750 Colony Park Drive Memphis, TN 38118	Tim Bolding	Exec. Director	901-728-6921	901-272-1181	tbolding@uhinc.org		X
	Sharon Walker		901-728-6924		swalker@uhinc.org		
	Kendra Love	Homebuyer Counselor	901-728-6930		klove@uhinc.org		
Universal Housing Development 301 E. 3rd St, PO Box 846 Russellville, AR 72801-5109	Patricia Atkinson	Exec. Director	479-968-5001	479-968-5002	pat@uhdc.net	X	X
	April Smith	HB Counselor	800-737-5013		asmith@uhdc.net		