CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

Estimated Public Benefits Single-Family Housing Program Pool July 20, 2016 Allocation

State and local governmental agencies and joint powers authorities can issue tax-exempt mortgage revenue bonds (MRB) or mortgage credit certificates (MCC) to assist first-time homebuyers purchase homes. These agencies and authorities may issue MRBs, the proceeds of which back below market interest rate mortgages. As an alternative to issuing MRBs, state and local governmental agencies and joint power authorities may issue MCCs. The value of the credit equals up to 20% of the interest payments made annually on the program participant's first mortgage. Homebuyers use the MCC to reduce their federal tax liability by applying the credit to their net tax due. Homebuyers may purchase single-family homes; either free-standing detached homes, condominiums or townhouses. Program participants must meet program income limits and must purchase a home that falls within the program's purchase price limitations.

The California Debt Limit Allocation Committee is responsible for administering California's annual taxexempt private activity bond program, known as "the annual State ceiling". For calendar year 2016, California's State ceiling is \$3.914 billion. Each year the Committee divides the annual State ceiling among several bond programs, known as "Program Pools", including the Single-Family Housing Program Pool. For calendar year 2016, the Committee reserved approximately \$800 million or 20.44% of the State ceiling for the Single-Family Housing Pool. The \$800 million of bond authority will be allocated throughout the 2016 calendar year.

On July 20, 2016 at its scheduled allocation meeting, the Committee awarded \$165,247,070 of the 2016 State Ceiling to one (1) statewide Mortgage Revenue Bond Program (MRB) administrator and one (1) local Mortgage Credit Certificate Program (MCC) issuer. This allocation will assist approximately 739 first-time homebuyers, of which at least 296 will be lower income households.

Mortgage Revenue Bond Programs

AMOUNT ALLOCATED		ESTIMATED NUMBER & DESCRIPTION OF PUBLIC BENEFITS
\$150,000,000	258	Total number of MCCs Total number of MCCs to low income households Total number of MCCs to homebuyers purchasing newly constructed homes (11.6% of total)

Mortgage Credit Certificate Programs

ALLOCATED ESTIMATED NUMBER & DESCRIPTION OF PUBLIC BENE	FITS
 \$15,247,070 94 Total number of MCCs 38 Total number of MCCs to low income households 10 Total number of MCCs to homebuyers purchasing newly constructed homes (9.6% of total) 	

TOTAL SINGLE-FAMILY HOUSING PROGRAM

AMOUNT ALLOCATED	ESTIMATED NUMBER & DESCRIPTION OF PUBLIC BENEFITS	
<u>\$165,247,070</u>	 739 Total number of MCCs 296 Total number of loans and MCCs to low income households (40% of total) 85 Total number of loans and MCCs to homebuyers purchasing newly constructed homes (11.5% of total) 	l)