



District of Columbia Housing Finance Agency Mortgage Credit Certificate (MCC) Program

Applicant(s) Closing Affidavit

I/We, the undersigned, as part of my/our application for an MCC from the District of Columbia Housing Finance Agency (“DCHFA”), the issuer of such certificates under the Mortgage Credit Certificate Program, and as a material inducement to DCHFA to issue an MCC to the undersigned in connection with the financing (the Mortgage Loan), through a lender of the undersigned’s choosing for the purchase of a single family residence being duly sworn state the following:

I/We executed DCHFA Applicant Disclosure containing both an Applicant(s) Affidavit and Recapture Notification as part of my application for a Mortgage Credit Certificate.

Check and complete Section (a) or (b), whichever applies:

- (a) I/We have reviewed the aforementioned MCC Applicant Disclosure containing both the Applicant(s) Affidavit and Recapture Notification and declare there has been no change in the statements therein and said statements remain true and accurate as of the date hereof.
- (b) I/We have reviewed the aforementioned MCC Applicants Affidavit and Recapture Notification and declare that the following changes have occurred from the statements therein:

I/We further certify that my/our total expected household income, as previously disclosed on our MCC Applicant Disclosure has not changed and is still the same as of the date submitted/disclosed.

I/We acknowledge and understand that this Affidavit will be relied upon for purposes of determining my/our eligibility for an MCC. I/We further acknowledge that this MCC has been issued with reliance upon certifications contained in the MCC Applicants Affidavit and Recapture Notification, Sellers Affidavit and Lender’s Participation Agreement stating that the requirements necessary for issuance of a qualified Mortgage Credit Certificate have been met. I/We acknowledge that I/we have read the Notice to Applicants of Potential Recapture Tax and understand that I/we may be required to pay a Recapture Tax to the United States Treasury as a result of receiving my/our Mortgage Loan from the proceeds of a tax-exempt bond. I/We may be required to pay a Recapture Tax equal to a portion of the loan amount if I/we sell or otherwise transfer the residence to someone else within the first nine years of the Mortgage Loan. The Recapture Tax may not exceed, in any event, 50% of the gain realized on sale, transfer or other disposition. You may not have to pay the entire recapture amount if your income at the time of sale, transfer or other disposition is less than a prescribed amount, or if the sale, transfer or disposition

arises as a result of your death. There is no way to predict your exact tax liability since it is based upon when you sell or transfer your residence, your gain from the disposition, and your income and family size at the time of disposition. Moreover, because the U.S. Congress may at any time enact legislation amending the current Federal tax law, the requirement (if any) affecting your Mortgage Loan at the time of closing may be different from that described above. Consult your tax adviser or local IRS office for further information.

I/We understand that any fraudulent statements will result in: 1) the revocation of the Mortgage Credit Certificate; and 2) a \$10,000 penalty under 26 USC §6709.

Applicant

Date

Co-Applicant

Date