

CHAPTER 462C

MUNICIPAL HOUSING PROGRAMS

462C.15 Mortgage credit certificate aid.

462C.15 MORTGAGE CREDIT CERTIFICATE AID.

Subdivision 1. **Application.** By May 15 of each year, a city issuing mortgage credit certificates during the previous calendar year shall report to the commissioner of employment and economic development. The report shall be in a form and contain the information necessary to determine the aid amounts, as prescribed by the commissioner. The report shall contain, at least, for each mortgage loan for which a mortgage credit certificate was issued: (1) the principal amount of the loan, (2) the interest rate on the loan, (3) the term of the loan, and (4) the credit rate.

Subd. 2. **Payment of aid.** By July 15 of each year, the commissioner of employment and economic development shall pay mortgage credit certificate aid to each city issuing certificates during the previous calendar year and submitting a timely application under subdivision 1. The amount of aid to be paid to a city for a calendar year equals the sum of the aid for each mortgage credit certificate issued by the city for a mortgage loan that is outstanding during the calendar year, assuming no prepayment of principal. The amount of mortgage credit certificate aid for each mortgage credit certificate equals eight percent multiplied by the product of the credit rate, the outstanding principal amount of the loan, and the original interest rate on the loan. For purposes of calculating the aid for a variable rate loan, the original interest rate means the interest rate that applies in the first year of the loan. For purposes of calculating the aid, the commissioner shall assume level amortization with no prepayment of principal.

[For text of subd 3, see M.S.2002]

Subd. 4. **Appropriation.** An amount sufficient to pay the aid under this section is appropriated from the general fund to the commissioner of employment and economic development.

[For text of subd 5, see M.S.2002]

History: 1Sp2003 c 4 s 1