

GOVERNMENT SPONSORED PROGRAMS TO ASSIST FIRST-TIME HOMEBUYERS IN CENTRAL TEXAS

TRAVIS COUNTY HOUSING FINANCE CORPORATION

Dear first-time homebuyer,

There are a multitude of housing organizations in the Central Texas/Travis county area that have created several programs to help Texans purchase homes. While it may seem overwhelming at first, a short review of the housing organizations and their programs will quickly make the overall process understandable.

TYPES OF PROGRAMS

All programs designed for first time home buyers can be broken down into 4 types. Also, it should be noted that all programs still require the homebuyer to be able to qualify for a home mortgage. The requirements, exceptions, deadlines and availability vary by program; follow the links designated for each to learn more.

1. **Down payment/Closing Cost Assistance (DPA)** – These programs offer a loan to cover your down payment and closing cost requirements. The loan may require repayment when the homebuyer resells the home or may be forgiven at a certain rate for every year you live in the home. *(example \$10,000 in assistance forgiven 10% per year, if home is sold in year 5, only \$5,000 needs to be repaid)*
2. **Below Market Interest Rate Mortgage Loans with Down Payment Assistance (BMM with DPA)** - These programs offer mortgages below market interest rates and up to 7% Down Payment Assistance Grant. The lower rates make it easier for homebuyers to meet lending income requirements.
3. **Mortgage Credit Certificate Programs (MCC)** - The MCC reduces the amount of Federal income tax a homebuyer pays, thus giving more available income to qualify for a mortgage loan and to make monthly mortgage payments.
4. **Neighborhood Stabilization Program (NSP)** - The Travis County Housing Finance Corporation is making available new federal funds to help working families purchase a foreclosed home in qualifying census tracts through the NSP.

After reviewing the programs, your first step is to contact and visit with one (or more) of the approved lenders for the programs. The lender will review your information and help you determine which programs you qualify for and if you are able to combine several programs.

REFERENCE MATERIAL AND AVIALABLE PROGRAMS BY HOUSING ORANIZATION

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**HUD Income Limits by Family Size
Austin Area Median Family Income
(March 2009)**

Household Size	1	2	3	4	5
30% Median Income	14,950	17,100	19,200	21,350	23,050
60% Median Income	29,850	34,150	38,400	42,650	46,050
80% Median Income	39,850	45,500	51,200	56,900	61,450
100% Median Income	48,370	55,280	62,190	69,100	74,628

TRAVIS COUNTY HOUSING FINANCE CORPORATION

For Information call (512) 854-4743 or (512) 854-4399

Websites: http://www.co.travis.tx.us/housing_finance/default.asp
<http://www.traviscountyhfc.org>

Program Type:	4- NSP
Program Name:	Travis County Neighborhood Stabilization Program
Program Description:	The Travis County Housing Finance Corporation is making available new federal funds to help working families purchase a foreclosed home in qualifying census tracts. Up to \$30,000 in assistance and/or 100% Zero-Interest mortgage
Requirements	
Homebuyer	First-time home buyer (not owned home in last 3 yrs). Have a total household income below the amounts in the Area Median Income Chart below. Have sufficient credit to qualify for a mortgage. Make a minimum direct investment of \$500 towards the purchase of your home. Have an interest in purchasing a foreclosed home in a targeted neighborhood by February 2010. You and all household members are permanent legal residents in the United States.
Income Limits	Limit 120% Area Median Family Income (AMFI) for Home Buyers Assistance (HBA) Limit 50% AMFI for HBA and 100% financing
Financing	May qualify for 100% financing through TDHCA. Loan is 0% interest, 30 yr note, fully amortized, fixed-rate loan.
Coverage Area	All foreclosed homes purchased must be in Travis County located outside the city limits of Pflugerville
Cost of Home Limit	Varies on Area
Home Buyer Education	Attend and complete a HUD homebuyer education program, and both an individual pre and post-purchase counseling session

Household Size	1	2	3	4	5	6	7	8
120% Income Max (\$)	61,550	70,350	79,150	87,950	95,000	102,050	109,050	116,100
50% Income Max (\$)	25,650	29,300	33,000	36,650	39,600	42,500	45,450	48,400

AUSTIN HOUSING FINANCE CORPORATION

For Information call (512) 974-3100

Website: <http://www.ci.austin.tx.us/ahfc/>

Program Type:	1 - DPA
Program Name:	Standard Down Payment Assistance Program
Program Description:	The Down Payment Assistance (DPA) Program provides qualified first-time homebuyers with a 0% interest, deferred, forgivable loan or second lien position of up to \$10,000 to assist with eligible down payment and closing costs, with an additional \$4,999 available for people with disabilities. This program is funded by the U.S. Department of Housing & Urban Development's "HOME" Program. An additional \$1,000 is available for borrowers enrolling in the AHFC's Mortgage Credit Certification Program.
Requirements	
Homebuyer	First-time home buyer (not owned home in last 3 yrs)
Income Limits	80% AMFI
Financing	Min \$1,000 earnest money input. Fully amortized, fixed-rate loan of up to 30 years with an interest rate that does not exceed 0.5% above the prevailing market interest rate at the time the lender locks borrower's interest rate.
Coverage Area	Within Austin city limits
Cost of Home	Not to exceed 95% of the 203b FHA loan limit for Austin. To check approved mortgage limits: http://www.fhatoday.com/mtg_limits.htm
Home Buyer	Complete AHFC Housing Smarts Course
Borrower Contribution	\$1,000

Program Type:	1 - DPA
Program Name:	Shared Equity Down Payment Assistance Program
Program Description:	Up to \$40,000 assistance, as a deferred, NON-forgivable 0%-interest loan or second lien position, with a "Shared Equity Agreement" and a "City of Austin Right of First Refusal" provision. Amount is based on borrower's demonstrated financial gap. Amount may not exceed 30% of the home sales price.
Requirements	
Homebuyer	First-time home buyer (not owned home in last 3 yrs)
Income Limits	80% AMFI
Financing	Min \$1,000 earnest money input. Fully amortized, fixed-rate loan of up to 30 years with an interest rate that does not exceed the prevailing market interest rate for conforming loans
Coverage Area	Within Austin city limits
Cost of Home Limit	Not to exceed 95% of the 203b FHA loan limit for Austin. To check approved mortgage limits: http://www.fhatoday.com/mtg_limits.htm
Home Buyer Education	Complete AHFC Housing Smarts Course

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

For Information call toll free: 1-800-792-1119

Website: <http://www.tdhca.state.tx.us/homeownership/fthb/index.htm>

Program Type:	2 – BMM with DPA
Program Name:	TDHCA Texas First Time Homebuyer Program (Bond Program 74)
Program Description:	Effective March 11, 2010, for a limited time only, the Texas Department of Housing and Community Affairs (TDHCA) is adding a 3% grant to their Single Family Mortgage Revenue Bond Program, TDHCA 74. This grant is in addition to the 4% second mortgage already provided by this program. Now first time homebuyers can take advantage of 7% total assistance to help them achieve the dream of homeownership. The down-payment assistance must be combined with the 30-year first lien fixed interest rate of 6.25% .
Requirements	
Homebuyer	First-time home buyer (not owned home in last 3 yrs) with exceptions for Veterans or homes in targeted/ disaster areas
Income Limits	80%-140% Area Median Family Income (AMFI)
Financing	4% 2nd Lien Deferred Forgivable plus 3% Grant. All interest rates obtained through the FTHB Program are 30 year fixed rate mortgage loans. Must qualify under FHA, RHS, VA, Fannie Mae or Freddie Mac guidelines.
Coverage Area	Texas
Cost of Home Limit	Non-Targeted \$237,031 Targeted \$289,704
Home Buyer Education	NA

Program Type:	3 - MCC
Program Name:	Mortgage Credit Certificate (MCC) Program
Program Description:	A Mortgage Credit Certificate allows the homebuyer to claim a tax credit for some portion of the mortgage interest paid per year. It is a dollar for dollar reduction against their federal tax liability. The size of the annual tax credit will be 30% of the annual interest paid on the mortgage loan. However, the maximum amount of the tax credit shall not exceed \$2,000 per year.
Requirements	
Homebuyer	First-time home buyer (not owned home in last 3 yrs) with exceptions for Veterans or homes in targeted/ disaster areas
Income Limits	Up to 115% or 140% AMFI.
Financing	Must be underwritten according to FHA, VA, USDA/RHS or conventional loan criteria and will be at prevailing market rates.
Coverage Area	Texas A Targeted Area is a census tract in which 70% or more of the families have incomes that are 80% or less of the statewide median income or an area of chronic economic distress. Homebuyers purchasing properties located in Targeted Areas do not have to be a first time homebuyer and purchase price and income limits are generally higher. The same exemptions apply to Disaster Areas.

Cost of Home Limit	Non-Targeted \$237,031 Targeted \$289,704 MCCs are issued directly to qualifying Applicants who are then able each year to take a tax credit equal to a specified percentage of the interest paid on their mortgage not to exceed \$2,000. The Mortgage Credit Certificate Rate is 30 percent.
Home Buyer Education	Homebuyer must complete a pre-purchase homebuyer education course prior to loan closing.

Below is the Amount of Funds available as of **March 15, 2010**:

FTHB Assisted Funds Available					
	Remain ing	Rate	AMFI	Amt. of Assistance	Program End Date
Program 74 - Statewide Non-Targeted/Targeted 80% AMFI and below	\$22,63 7,909	6.25%	Up to 80%	4% 2nd Lien Deferred Forgivable plus 3% Grant	05/15/10
Program 74 - Statewide Non-Targeted	\$13,04 8,969	6.25%	Up to 115%	4% 2nd Lien Deferred Forgivable plus 3% Grant	05/15/10
Program 74 - Statewide Targeted	\$11,20 7,341	6.25%	Up to 140%	4% 2nd Lien Deferred Forgivable plus 3% Grant	05/15/10
MCC Funds Available					
	Remaining	MCC Credit %	AMFI	Program End Date	
2010 Texas Mortgage Credit Program Non Targeted	\$22,173,614	30%	Up to 115%	12/31/12	
2010 Texas Mortgage Credit Program Targeted	\$4,149,633	30%	Up to 140%	12/31/12	

TEXAS STATE AFFORDABLE HOUSING CORPORATION

For Information call (512) 477-3555 x411 or (888) 638-3555 x411

Website: <http://www.tsahc.org/single/>

Program Type:	1-DPA
Program Name:	Home Loan Program
Program Description:	The Professional Educators, Homes for Texas Heroes, and Home Sweet Texas Home Loan Programs provide 30-year fixed rate mortgage loans to eligible first-time homebuyers wishing to achieve the American dream of homeownership. In addition to a low interest rate, these programs offer down payment and closing cost assistance in the form of a grant.
Requirements	
Homebuyer	First-time home buyer (not owned home in last 3 yrs) Must be one of the following: A Professional Educator: Defined as a full time Classroom Teacher, Teacher Aide, School Librarian, School Nurse or School Counselor employed by a public school district in the state of Texas; or a full time faculty member * of either an undergraduate or graduate professional nursing or allied health program in the State of Texas A Texas Hero: Defined as a full time, paid Firefighter, Emergency Medical Services Personnel, Peace Officer, Corrections Officer, Juvenile Corrections Officer, County Jailer, or a Public Security Officer working in the State of Texas An Individual at or below 80% of the Area Median Family Income (AMFI).
Income Limits	80% of Area Median Family Income; or be a full-time Teacher, Teacher Aide, School Librarian, School Nurse, School Counselor, Firefighter, EMS Personnel, Peace Officer, Correction Officer, County Jailer, or Public Security Officer working in the State of Texas.
Financing	The current interest rate on a 30-year fixed FHA, VA or USDA (RHS) mortgage loan is 5.25%. In addition to this rate, these programs are providing 3% of the loan amount as a grant for down payment and closing cost assistance.
Coverage Area	Texas
Cost of Home Limit	Varies according to status, %AMFI and area
Home Buyer Education	Complete HUD approved homebuyer education course prior to closing on the loan.

Program Type:	3- MCC
Program Name:	Mortgage Credit Certificate (MCC) Program
Program Description:	With an MCC, the qualified homebuyer is eligible to take a portion of the annual interest paid on the mortgage as a tax credit, up to \$2,000, each year that they occupy the home as their principal residence. The amount of the tax credit is equal to the mortgage credit rate of 35% multiplied by the annual interest paid. This credit reduces the federal income taxes of the homebuyer, resulting in an increase in the homebuyer's net earnings. Increased income results in increased capacity to qualify for a mortgage loan. The MCC has the potential of saving the MCC holder thousands of dollars over the life of the loan
Requirements	
Homebuyer	First-time home buyer (not owned home in last 3 yrs) Must be one of the following:

	<p>A Professional Educator: Defined as a full time Classroom Teacher, Teacher Aide, School Librarian, School Nurse or School Counselor employed by a public school district in the state of Texas; or a full time faculty member * of either an undergraduate or graduate professional nursing or allied health program in the State of Texas</p> <p>A Texas Hero: Defined as a full time, paid Firefighter, Emergency Medical Services Personnel, Peace Officer, Corrections Officer, Juvenile Corrections Officer, County Jailer, or a Public Security Officer working in the State of Texas</p> <p>An Individual at or below 80% of the Area Median Family Income.</p>
Income Limits	80% of Area Median Family Income; or be a full-time Teacher, Teacher Aide, School Librarian, School Nurse, School Counselor, Firefighter, EMS Personnel, Peace Officer, Correction Officer, County Jailer, or Public Security Officer working in the State of Texas.
Financing	Must be underwritten according to FHA, VA, USDA/RHS or conventional loan criteria and will be at prevailing market rates. There is a \$100 MCC Application Fee (<i>non refundable</i>), a \$250 MCC Closing Package Review Fee , and a MCC Issuance Fee of 1% of the loan amount.
Coverage Area	Texas
Cost of Home Limit	Non-Targeted ~\$258,691 Targeted ~\$316, 177 Varies according to status and %AMFI
Home Buyer Education	Complete HUD approved homebuyer education course prior to closing on the loan.

CAPITAL AREA HOUSING FINANCE CORPORATION

For Information call (512) 347-9953

Website: <http://www.cahfc.org/firsttimehomebuy.shtml>

Program Type:	3 - MCC
Program Name:	Mortgage Credit Certificate (MCC) Program
Program Description:	The size of the annual tax credit will be 30% (2009 MCC Program) of the annual interest paid on the mortgage loan. However, the maximum amount of the tax credit shall not exceed \$2,000 per year. The credit cannot be larger than the annual federal income tax liability, after all other credits and deductions have been taken into account. MCC credits in excess of the current year tax liability may, however, be carried forward for use in the subsequent three years.
Requirements	
Homebuyer	First-time home buyer (not owned home in last 3 yrs) Veteran exception
Income Limits	For some counties: 1-2 person households = \$73,300 and 3 or more person households = \$84,295; Lower for Blanco, Burnet, Fayette, Lee, and Llano Counties.
Financing	Must be amortizing, fixed-rate FHA, VA, or conventional loans that are acceptable to Fannie Mae or Freddie Mac. The credit cannot be used in conjunction with a mortgage revenue bond loan.
Coverage Area	Bastrop, Caldwell, Hays, Williamson, Blanco, Burnet, Fayette, Lee, and Llano Counties and the City of San Marcos
Cost of Home Limit	Varies with area
Home Buyer Education	Required prior to closing

LIST OF STATE APPROVED LENDERS (AUSTIN AREA)

Texas Department of Housing and Community Affairs Texas First Time Homebuyer Program
Participating Lender Branch Listing City Lender Branch Address Contact Phone

All Homes Mortgage

6010 Balcones Drive, Suite 210

(512) 302-4244

AmeriProFunding dba All Homes Mortgage

6010 balcones Drive, Suite 210

(512) 302-4244

Bank of America Home Loans

9600 N. Mopac, Suite 100

(512) 576-0247

Austin - Capstar Lending, LLC

6836 Austin Center Blvd., Ste. 110

(512) 459-2400

Chase Home Finance

9020 Capital of Tx Hwy N #170

(512) 431-7055

Austin - Colonial Savings, F.A. / Colonial National Mortgage

911 W. Anderson Ln.; Ste. 115

(512) 837-3411

Austin - Compass Bank

5800 North Mopac

(512) 419-3403

Austin - Cornerstone Mortgage Company

2600 Via Fortuna, Ste. 330

(512) 314-7333

2600 Via Fortuna, Ste. 330

(512) 314-7312

Austin - CTX Mortgage Company

12301 B Riata Trace Pkwy, Ste. 100

(512) 795-0190

Austin - DHI Mortgage Company

12554 Riata Vista Circle, 1st Floor

(512) 502-0545

Austin - IMortgage

7200 N. Mopac, Suite 170

(512) 485-7692

Austin – Land Mortgage

8300 N. Mopac, Suite 225

(512) 503-1018

MSH Mortgage

3815 S. Capital of Texas Hwy, Suite 130

(512) 685-6661

Austin - PrimeLending, a PlainsCapital Company

2705 Bee Caves Rd.

(512) 381-4790

Realty Mortgage 11940 Jollyville Rd., #100-S	(512) 506-9100
Ryland Mortgage 10415 Morado Circle Bldg 1, Suite 100	(512) 343-3260
Standard Pacific Mortgage 12401 Research Blvd, Bldg II, Suite 250	(512) 506-4081
Austin - Universal American Mortgage Company 12301 Research Blvd.; Bldg. 4, Ste. 180	(512) 418-0550
Austin - Wachovia Mortgage Corp. 8200 N. Mopac; Ste. 200	(512) 634-2125
Austin - Wells Fargo Home Mortgage 609 Castle Ridge Road; Ste. 200	(512) 330-3227
Austin - WR Starkey Mortgage, LLP 807 Las Cimas Parkway, Ste. 150	(512) 329-9040