

#58

**Programs and Services Available to Homebuyers between 80% and 120% MFI
(Response to Resolution No. 20161006-050)**

Late Backup

LENDING

Austin Community Design & Development Center (ACDDC) & BCL of Texas – Pilot Construction Financing Program for Accessory Dwelling Units (ADUs)

- For homeowners unable to finance ADU construction, but who could obtain a permanent mortgage when unit is built
- Potential for revolving loan fund: recaptured funds could serve other owners
- Includes landlord training and financial education classes from BCL
- Serves homeowners of any income level, but ADUs must be rented to people ≤ 80% MFI

BBVA Compass – Community Reinvestment Act Home Care Loan Program

- Low down payments (as little as \$500 for certain census tracts)
- Closing cost assistance up to \$4,500 & fixed rate monthly mortgage payments
- Can be used with BBVA Compass down payment assistance
- Covers single-family and condo properties
- Minimum credit score of 620

BCL of Texas & Wells Fargo – NeighborhoodLIFT Program

- Down payment assistance of up to \$7,500
- Serves up to 80% MFI (100% MFI for veterans)
- Covers Travis, Hays, and Bastrop counties
- Homebuyer education required
- Not limited to first-time homebuyers
- Applicants must use home as primary residence for 3 years

Texas Department of Housing & Community Affairs (TDHCA) – Texas Mortgage Credit Certificate and My First Texas Home Programs

- Tax credit up to \$2,000/year for first-time homebuyers
- Serves up to 115% MFI (140% MFI for economically distressed areas) statewide
- Can be combined with down payment assistance
- Homebuyer education required
- My First TX Home: minimum credit score of 620

DOWN PAYMENT ASSISTANCE

City of Austin – Down Payment Assistance Program

- Covers down payment in deferred 0% interest loan for first-time homebuyers
- Serves up to 80% MFI
- Only applies to homes in City of Austin full purpose jurisdiction
- Home sales price cannot exceed \$243,000
- Can be layered with other programs so long as City contribution is less than \$15,000

City of Austin – Individual Development Accounts

- Matched savings accounts can be used for down payment, closing costs, inspection, appraisal
- Must be below 200% of the federal poverty level or eligible for earned income tax credit

Texas State Affordable Housing Corporation (TSAHC) – Home Sweet Texas Home Loan Program

- Grant for down payment assistance, up to 5% of loan amount, plus first-time homebuyers can qualify for annual mortgage interest tax credit
- Serves up to 80% MFI

- Available statewide for homes, condos, townhomes, duplexes
- Home price cannot exceed \$314,458 for Austin-Round Rock area. (Average Austin 2016 purchase price \$189,948)

TSAHC – Homes for Texas Heroes Home Loan Program

- Targeted professions: public school teachers, counselors, librarians, nurses; veterans, firefighters, law enforcement, corrections officers, EMS, educators at postsecondary nursing/allied health programs
- Serves up to 115% MFI
- Available statewide for homes, condos, townhomes, duplexes
- Same restrictions on home price as Home Sweet Texas Home Loan Program

Travis County – Hill Country Home Down Payment Assistance Program

- 4-6% grant for down payment assistance or closing costs in Travis County
- Serves up to 140% MFI
- Minimum credit score of 640 and maximum debt-to-income ratio of 45%
- No maximum home price limit
- Can be used for single-family, 1-4 units, condos, townhomes, or Planned Unit Developments

HOMEBUYER EDUCATION

Austin Board of Realtors (ABOR) & Down Payment Resource – www.AustinHomeSearch.com

- Online resource indicating if a home for sale is within purchase price limit for DPA programs

BBVA Compass – First Time Homebuyer Education

- Free, in-person class offered in both English and Spanish
- No income requirement

BCL of Texas – Homebuyer Education

- Offered online through NeighborWorks in English and Spanish
- No income requirement
- \$99 fee

City of Austin – HousingSmarts

- Free, in-person homebuyer training – required for other City financial empowerment and down payment assistance programs
- Serves up to 80% MFI in City of Austin full purpose jurisdiction, or any City employee

TSAHC – www.TexasFinancialToolbox.com

- Online resource allowing consumers to search for non-profit/governmental organizations providing homebuyer/financial education and credit/foreclosure prevention counseling

OTHER RESOURCES

Community Land Trust – City of Austin & Guadalupe Neighborhood Development Corporation

- Homebuyers purchase the home and lease the land, removing the cost of land and property taxes from the real estate transaction
- City of Austin: serves up to 80% MFI; GNDC: serves families below 60% MFI up to 120% MFI
- City of Austin: only available for homes in full purpose jurisdiction; GNDC: 78702 and 78721

Mueller Neighborhood – Community Wheelhouse

- Model of affordable housing ownership options for buyers above 80% MFI; resale & workforce housing