CITY OF McKINNEY, TEXAS

Legislation Details (With Text)

File #:	17-278	**Name:**	SETH 5 Star Program
Type:	Agenda Item	**Status:**	Approved
		In control:	McKinney Housing Finance Corporation
On agenda:	3/10/2017	**Final action:**	3/10/2017
Title:	Consider/Discuss/Act on Southeast Texas Housing Finance Corporation (SETH) 5 Star Texas Advantage Program		
Indexes:			
Attachments:	1. 5 Star Texas Advantage Program, 2. Participation Agreement		

Date	Ver.	Action By	Action	Result
3/10/2017	1	McKinney Housing Finance Corporation	Approved	Pass

Consider/Discuss/Act on Southeast Texas Housing Finance Corporation (SETH) 5 Star Texas Advantage Program

COUNCIL GOAL: Enhance the Quality of Life in McKinney

MEETING DATE: March 10, 2017

DEPARTMENT: Housing and Community Development Department

CONTACT: Cristel Todd, Affordable Housing Administrator

ITEM SUMMARY:

- Provides eligible Homebuyers several options for a loan program.
- Buyers get a 30 Year fixed rate mortgage and a Grant to be used for the down payment and closing cost associated with their home purchase.
- The maximum Grant is 6%, and is based on your actual loan amount. Grants range from 3%-6%.
- There is no repayment expected for this Grant and no 2nd lien on your home.
- The Program is available for the entire State of Texas with the exception of the following cities: El Paso, Grand Prairie, McKinney, and Travis County.
- Local Down Payment Programs and MCC Programs may be combined with this program.
    - No First Time Homebuyer Requirement
    - Must be Income Eligible (list below)

- Minimum of a 640 Credit Score
- Must Purchase in Program Area

BACKGROUND INFORMATION:

- The MHFC declined participation in January 2013.

FINANCIAL SUMMARY:

- No cost to the McKinney Housing Finance Corporation.
- The MHFC will receive a participation fee equal to .3% of the principal amount of the mortgage loan.