



# 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.