



TSAHC Hero's Bond Program FAQ

****Please Note****

The TSAHC Bond-DPA program has limited funding and is not the same as the Non-Bond DPA program. Please view the Non-Bond FAQs for more information.

Q. Do the homebuyer's have to pay back any portion of the Bond DPA provided?

A. The Bond DPA is a grant and never needs to be repaid. However, if a home buyer uses TSAHC's Bond DPA program, they may be subject to Recapture Tax if they decide to sell their home within 9 years of purchase. Click here to learn more about Recapture Tax.

Q. Can homebuyers use both the Down Payment Assistance Bond and the MCC program together?

A. The MCC Program cannot be combined with the Bond DPA Program but can be combined with the Non-Bond DPA program.

Q. Is a homebuyer required to stay in the home any number of years?

A. Homebuyers are not required to stay in their home any number of years. However, they may be subject to Recapture Tax if they sell their home within 9 years of purchase, they make a profit on the sale, and their income has increased 5% over the county limit every year they lived in the home.

Q. Is the Bond program available for Heroes or First Time Homebuyers?

A. To qualify for the program, a Hero must also be a first time homebuyer, unless the property being purchased falls within a "Targeted Area".

Q. Do I calculate household or mortgage loan qualifying income for Bond DPA eligibility?

A. Bond DPA programs use the total income from the household to determine program eligibility. The income of cosigners, and children within the home does not need to be calculated. Please see *Section 2.2* of TSAHC guidelines for more information.

Q. How can I determine if my Hero gets to use the Targeted Area higher income and purchase price limits?

A. Use the "Targeted Areas" document on the TSAHC website to verify if a particular tract code is considered within a Targeted Area. If so, your Hero will be able to take advantage of higher income limits.

Q. Can I use the Bond program with a conventional loan?

A. No, at this time the Bond DPA program is only available for use on FHA, VA, and USDA loans.

Q. Are there additional fees?

A. No, there are no additional fees other than what is currently charged for the DPA program.

Q. What additional documents are required by the borrower(s) to sign at closing?

A. The additional documents are available for download on the Lender Online Portal in the pdf docs section once the loan is committed by TSAHC.

The post-closing checklist will include these additional documents:

- Tax-Exempt Rider. Must be attached to and recorded with the deed of trust.
- Notice of Potential Recapture Tax. Provide to borrower(s) at loan closing

Q. What is the minimum credit score?

A. The borrower needs to have a minimum credit score of 620.