



TSAHC Non-Bond Program FAQ

****Please Note****

*The TSAHC Non-Bond-DPA program is not the same as the Bond DPA program.
Please view the Bond FAQs for more information.*

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

A. As long as the home buyer doesn't refinance or otherwise pay off the first lien mortgage loan in the first six months, they never have to repay a portion of TSAHC's Non-Bond DPA **grant**. It is a true grant.

TSAHC's **Non-Bond forgivable second lien DPA** carries no interest and has no monthly payments due. This assistance is forgiven, in full, upon the third anniversary of the date of the loan. It is repayable, in full, during the three-year term upon sale, transfer or refinance.

Q. Can homebuyers use both Non-Bond DPA and the MCC program together?

A. First-time home buyers may use both forms of assistance when purchasing a home. ****The MCC Program cannot be combined with the Bond DPA Program.***

Additionally, TSAHC's down payment assistance grants can be combined with other down payment assistance programs offered in the home buyer's city or county

Q. Is the Non-Bond DPA program 'Homes for TX Heroes' or 'Home Sweet Texas'?

A. BOTH! TSAHC's Non-Bond DPA programs are eligible for both the Homes for TX Heroes and Home Sweet Texas programs.

Q. Do I calculate household or qualifying income for Non-Bond DPA income limits?

A. Non-Bond DPA programs use the income from the mortgagers on the 1003 to determine program eligibility. You do not have to calculate household income on stand-alone Non-Bond DPA.

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

A. Homebuyers who used TSAHC's DPA prior to June 2012 or received a TSAHC MCC, may be subject to Recapture Tax if they decide to sell their home within 9 years of purchase.

Please note: As long as the home buyer lives in the home for six months, they never have to repay a portion of TSAHC's down payment assistance (DPA) grant. It is a true gift.

TSAHC's forgivable second lien down payment assistance (DPA) is with 0% interest and no monthly payments due. This assistance is forgiven, in full, upon the third anniversary of the date of the loan. It is repayable, in full, during the three-year term upon sale, transfer or refinance.

Q. Is the Non-Bond program available for Heroes, First-Time Homebuyers, or general buyers?

A. Non-Bond DPA programs are available to Heroes, general buyers, and first-time homebuyers.

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

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

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

A. Yes, the 3 Year Deferred Forgivable Non-Bond DPA program can be used on both Fannie Mae and Freddie Mac HFA Conventional 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 is the minimum credit score?

A. The borrower needs to have a minimum credit score of 620 on government loans. For conventional loans, the borrower needs to have a 640 minimum credit score.