

AUSTIN/MOWER COUNTY HOMEOWNERSHIP FUND

Applying for A/MCHF Funds: A homebuyer who is considering purchasing a home should visit a mortgage lender to determine if they qualify for a mortgage. This will help them to determine the maximum price of a home they can afford. At this stage, they can also determine how much of the down-payment and closing costs they can contribute, and how much in secondary gap financing they will need.

If it is determined that the homebuyer does not have the funds to afford a full down-payment and/or closing costs, and does not qualify or have access to other programs (such as MHFA ECHO) then an A/MCHF application and “Borrower Profile” form are filled out and sent or faxed/mailed/emailed to the City of Austin by the lender, along with

- the mortgage application,
- a credit report,

Loan Review: The City of Austin mails this information to the Loan Review Committee. The Loan Review Committee on an as-needed basis. If the loan is approved, the City of Austin releases a check in that amount to the closing agent. The City needs to know the amount needed five working days ahead of the closing date. If the loan request is turned down, the reasons will be stated in writing, and the applicant and/or lender will be given the opportunity to appeal to the Loan Review Committee.

Receipt of Funds: The lender schedules a closing date, and confirms the date, time, closing agent, and who the A/MCHF check will need to be made out to. A check is issued to the closing agent by the City of Austin, and the City of Austin sends the A/MCHF second mortgage, promissory note, and “Authorization to Debit Account” form to the closing agent for signature.