

# Most Recent Changes

September 28, 2009

1. We will now accept IRS transcripts in lieu of copies of tax returns.
2. We now require that the buyer's housing ratio must be below 33% and their back ratio (all debts including housing) must not exceed 45%.
3. Buyers must submit with application: 3 months of pay stubs, 3 months savings account statements and 6 months checking account statements.
4. SETH has exhausted the urban funds for the TDHCA HOME Program. There are still funds for rural area of this program. Those areas include the counties of Austin, Chambers, Matagorda, Waller and Wharton and the cities of Cleveland, Huntsville, Bayou Vista, Bolivar Peninsula and Hitchcock. Our Montgomery and Fort Bend County HOME Programs are fully committed, but we are still accepting applications on a waiting list.
5. How we calculate income has changed. We are using source documentation and 3<sup>rd</sup> party income verification. Documents used to determine income will include:
  - Copies of the most recent 6 months of bank statements for all checking accounts and the most recent statement for all savings accounts for the applicant, co-applicant, and all household members over the age of 18.
  - Copies of the most recent 3 months of pay stubs for the applicant, co-applicant and all household members over the age of 18.
6. If a member of the family is pregnant, we will no longer count that pregnancy as an additional family member.
7. SETH has a new program: 2009 Mortgage Credit Certificate Program. Buyers must work with a participating lender. We do not have a required lender for our HOME Programs.
8. The City of Pasadena's HOME Program will not accept buyers with only ITIN numbers.
9. SETH must include the income, assets, and first time homebuyer status of all non-occupant co-buyers when determining program eligibility.
10. From the Lender, we will need a copy of the buyer's credit report. SETH does not have a minimum credit score requirement.
11. New disclosures have been added to our applications. Print applications from our website to be sure you have the most current copy. We now require copies of birth certificates and social security cards for all family members, copies of driver's license or identification for applicant and co-applicant.
12. SETH will conduct a one-on-one session with each applicant. This will be conducted by phone or in person. The SETH staff will explain to the client- the application, process, our documents and their responsibilities.
13. TDHCA now needs to have the flood certificate, title commitment and loan approval 15 days prior to funding. The faster we can obtain these things, the faster we can work toward a cleared approval.