

HOMEBUYER CHOICE PROGRAM

KEY STEPS



HCDD City of Houston Housing and Community Development Department
HCLT Houston Community Land Trust



Initial Steps

- Check your eligibility (See next column)
- Find a realtor
- Participate in an 8-hour Homebuyer Education Course
- Work with an HCLT-approved lender for a fixed-rate mortgage



Application

- Collect documents on the HCLT's Document Checklist
- Submit documents through HCLT's application portal



Eligibility Check

- Checking household income (<80% Area Median Income)
- Checking financial viability (\$70,000 contribution)
- Checking other requirements (See next column)

HCDD checks for income requirements, and HCLT will perform other eligibility checks. If approved, HCLT issues a Qualification Letter.



Property Selection and HCLT Agreement

- Your property must be a single-family home
- Your property must be within the City of Houston's jurisdiction
- HCLT will purchase and own the land on which the home sits
- Homebuyer will have full right to use and modify the home and land

HCLT will be responsible for gathering documents and sharing finalized contract with HCDD.



Environmental and Safety Inspections

Things HCDD will look for:

- health and safety hazards
- home outside a floodway, outside 100-year floodplain
- insurance, if within the 500-year floodplain
- asbestos and lead-based-paint concerns

The homebuyer is also responsible for conducting and submitting proof of a health and safety inspection.



Underwriting and Closing

HCDD will secure funding and issue a non-binding Commitment Letter.

- HCLT will prepare subsidy worksheet and send closing and wiring information to HCDD
- HCDD finance team will be notified 3 days before closing
- You (or lender/seller, as needed) will receive funding the day of your closing
- HCLT will send post-closing documents

WHAT YOU NEED TO KNOW

ELIGIBILITY

You Must:

- ✓ Earn at or below 80% of Area Median Income
- ✓ Make a significant financial contribution, including:
 - Committing \$350 to the initial down payment
 - Maintaining \$1000 in reserve
 - Contribute \$70,000+ to the home purchase - typically thru a home mortgage
- ✓ Not be a current homeowner

FUNDING TIERS

HCDD subsidizes purchases in one of two tiers:

- Up to \$150,000 for homes zoned to A- and B-ranked schools
- Up to \$100,000 for homes located in any other area of the City of Houston

LEARN MORE:

houstonclt.org/homebuyer-choice-program

QUESTIONS?

Email info@houstonclt.org or call 713-512-5575.

