

December 10, 2024

MHC Participating Lenders:

This notice serves to provide clarification regarding the Home4all program. It is important to note that this program is a **HUD grant program** and will **not** run the same way our other down payment assistance programs do. The process will be **longer** as additional checks and balances **must** take place to ensure we are following all necessary guidelines for HUD. These checks and balances mean additional time for special required reviews.

The Home4All program will utilize MHC bond funds for the first mortgage loan and have the benefit of attaining the lowest MHC bond rate available. The Home4All program cannot be combined with any other bond program. The purpose of this program is to prepare individuals for homeownership. The applicant is required to work with a housing counseling agency to assist the applicant in the homebuying process. This counseling will include budgeting, pre-purchase education, and credit counseling. These steps must be taken **before** an individual goes to a lender to receive their services, as we do not want to run a credit report or make decisions about their financial situation before they have been trained on how to make improvements or have been told from a housing counselor that they are financially ready to take the big leap to homeownership.

Once the borrower has completed the required housing counseling piece, the housing counselor will upload the necessary documentation for eligibility pre-approval by the MHC Federal Grant Staff. MHC will determine how much of the grant the borrower will be approved for based off need. If approved, the borrower will then be able to “shop” for the lender they wish to utilize in the homebuying process. The borrower will tell MHC what lender they have chosen to work with. MHC will assign the file/*loan* to the designated lender. The lender will then be able to begin the pre-approval process, and the borrower may begin shopping for their home.

Once the previous steps have been completed the lender may upload all necessary documentation to the Mitas portal following our normal process. It is important to note that this program will have additional checklist items and will require a home inspection (completed by a HUD-approved, licensed inspector) and environmental review from HUD. The environmental review takes 2 weeks or more to complete.

Once the Environmental Review is complete, MHC Single Family Underwriters and the Federal Grant Staff will complete the underwriting process for loan approval. SF Staff will have their normal 3-day turnaround time, and the Federal Grant Staff will have a 5-day turnaround time.

We appreciate your patience and as always, we are grateful for your continued partnership.