Travis County
HOME Downpayment Assistance (DPA) Program
Mortgage Readiness Assessment Checklist

A HUD-Certified Housing Counselor must complete the mortgage-readiness assessment checklist below upon making the determination following the completion of homebuyer education and counseling that a prospective homebuyer meets the requirements below, which are the thresholds established to determine if a prospective homebuyer is ready to seek out a lender to pursue a mortgage loan and the County's DPA funds. With the prospective buyer's written consent, this completed assessment checklist must be provided to the lender. The lender will attach this checklist to the HOME DPA Application.

YES	NO	Mortgage-Readiness Assessment Checklist
☐	☐	Client has not declared bankruptcy within the last 24 months. A discharged bankruptcy should not impede or negatively impact a mortgage application.
☐	☐	Client has not had any late payments (on the credit report) within the last 12 months
☐	☐	Client does not have more than $500 in judgments, collections, and/or past due accounts
☐	☐	Client's deb-to-income ratio (including housing) does not exceed 40%. If needed, check with lender on loan product qualifying criteria.
☐	☐	If the client does not have a credit history, he/she has a documented nontraditional credit history for the last 12 months or has an established secured credit card for at least 6 months.
☐	☐	Client has same or similar employment for 2 years or more.
☐	☐	Client has a credit score of 640 or better, which will afford the client with an opportunity to receive the best mortgage rates and eligibility for down-payment and closing cost assistance programs.
☐	☐	Client has savings or reserve funds of at least $2,000. Depending upon the client's needs, more reserves may be necessary

Client Name: ______________________________ Date of Assessment: ____________________

HUD-Certified Housing Counselor Name: ____

HUD-Certified Housing Counselor Signature: ____