



Down Payment Assistance

FHR homebuyer assistance programs are designed to educate and counsel low to moderate income homebuyers with the purchase of an affordable home

MRB DPA – For Incomes Under 80% of Median

- To be used with an MRB loan (4.55% 30-year fixed rate) only
- Homes may be purchased in Pima County and the City of Tucson
- Amount of assistance is 4.5% of purchase price (not to exceed \$6,000)
- First time homebuyers only
- Lien on the assistance in the form of 2nd lien due upon sale plus 2% interest during first twenty years

DPA – For Incomes Under 80% of Median

- Homes may be purchased in Pima County and the City of Tucson
- Amount of assistance is 3.5% of purchase price (not to exceed \$5,000)
- First time homebuyers only
- Lien on the assistance in the form of 2nd lien due upon sale plus 2% interest during first twenty years

Drachman Home– For Incomes Under 80% of Median

- For purchase of 3 bed/2ba new home at 15th St. and Star Ave.
- Cost of home is \$155,000 less assistance of \$33,000 = \$122,000
- First time homebuyers only
- Lien on the assistance in the form of 2nd lien due upon sale; 2% simple interest during affordability period
- Request specific flyer from FHR

2009 Income Limits (80% of Median Income)

1 Person	\$32,200	2 Persons	\$36,800	3 Persons	\$41,400
4 Persons	\$46,000	5 Persons	\$49,700	6 Persons	\$53,350

Application Process

- Lenders can forward the lender packet to FHR Housing Counselor Mario at Mario@fhrinc.net or fax to 323-3788. Clearly indicate what assistance is requested
- Due to the overwhelming demand for these programs preference will be given to homebuyers who have signed a purchase contract.
- FHR may require a minimum of 30 days to process the assistance AFTER all information has been received

Se habla español

Funds are Limited

See Reverse for More Guidelines



Funding provided by the Department of Housing and Urban Development through contracts with the City of Tucson and Pima County. (9/13/10)

1700 E. Ft. Lowell, Suite 101 Tucson, AZ 85719 (520) 318-0993 FAX (520) 318-0993 housing@fhrinc.net

Down Payment Assistance Program Guidelines

- ✓ Homebuyers and their spouses/partners must attend FHR's Homebuyer Education Class
- ✓ Income used to determine eligibility for the loan and the assistance is household income. This income includes the income of all adults who will live in the newly acquired home
- ✓ The homebuyer is required to contribute at least \$1,000 (gifted ok, not by seller, agent, lender)
- ✓ The homebuyers liquid assets may not exceed \$10,000 after contribution to their home purchase
- ✓ The homebuyer must not owe any amounts to the City of Tucson for Section 8 or Public Housing
- ✓ Housing ratio minimum 20% maximum 35%; Debt ratio maximum 45%
- ✓ The liens will remain in second position. Subordinations require approval by the funding source
- ✓ The assistance may have restrictions in using another layer of down payment assistant (ask your counselor)
- ✓ The home must be owner-occupied or vacant
- ✓ The assisted homebuyer must occupy the home as their primary residence
- ✓ FHR will arrange for a home inspection to be done at no cost to the homebuyer. The home to be purchased must meet standards identified by HUD and Local Code. Items identified by the inspector as not meeting these standards must be repaired prior to closing and provision of homebuyer assistance
- ✓ Lenders are responsible for obtaining investor approval of the down payment assistance early on in the processing in order to prevent delay of closing

Lender Packet

1. 1003, GFE and TIL
2. AUS findings
3. Documentation to verify Household Income. (also provide number of members in the household)

Provide the required documents for each household member 18 years of age or older:

- Employment Income.** 1) A copy of last year's federal tax return, including copies of W-2's and all schedules **AND** copies of last two-month pay check stubs
- Dividend/ interest income:** Copy of most recent bank, brokerage, or other account statement(s). Provide one copy of each of the most recent checking, savings, and investment account statement(s).
- Pension/Social Security Income/VA:** Copy of most recent award letter
- Unemployment compensation:** Copy of award letter showing term of benefits
- Public assistance:** Copy of most recent award letter, specifying the amount of assistance.
- Alimony, child support, or separate maintenance income:** Copy of award letter(s) from the courts.