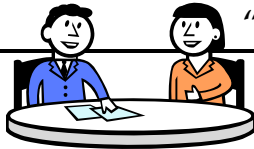




Arizona Department of Housing

“HOMES FOR ARIZONANS”



Who is eligible?

Families, including single people who are first time homebuyers and whose yearly income does not exceed 80% of the area median income where the housing unit will be purchased, are eligible. (Please call for the income levels).

When a family is eligible, it does not automatically qualify them to buy a home. The family must apply to a bank or mortgage company for a home loan and must meet the lender's requirements too.

Where can a house be purchased and what types of houses can be purchased?

The family must purchase a housing unit located in one of the Arizona counties on the following list. The type of house purchased may be a single-family (one unit), condominium, townhouse, or manufactured unit that is permanently affixed to a foundation and on land owned by the family. (Call for price limits of the house)

The housing unit that is purchased, with the assistance, must be occupied by the family as a primary residence. This means the housing unit cannot be rented or left vacant during this period.



Can I purchase a “fix-up” property? What type of condition can the property be in?

No. The housing unit must meet minimum property standards that require the unit is in a safe condition and that major systems such as the roof, heating, cooling, plumbing and electrical are expected to last at least three years before repairs are needed. The property will be inspected for these standards but not guaranteed by the State. This inspection is conducted by an ADOH employee. The ADOH property standards inspection does not guarantee the condition of the unit. The family should carefully select a home based on these expectations and thus may wish to purchase their own, more detailed, home inspection and a home warranty.

Information contained in this fact sheet is subject to change.

Median household income and maximum purchase price are updated at least annually.

Homes for Arizonans is funded by:



1110 W Washington Street, Suite 310
Phoenix, AZ 85007



How much assistance will be provided?

The actual amount of the assistance is dependent upon five factors: the amount of family income, **the purchase price of the house**, the actual closing costs on the house, the amount of family savings and assets, and any other gifts or assistance the family may be receiving. The maximum amount of assistance is \$20,000.

When must the assistance be repaid?

In general, the assistance must be repaid if the family sells the property or fails to occupy the property as a primary residence. These restrictions are spelled out in legal documents that must be signed at the time the house is purchased.

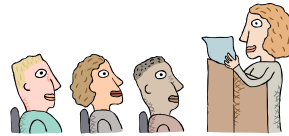


How much must families contribute to the purchase of their house?

Families must contribute at least 3% of the purchase price of the house. If the family is receiving a gift or other assistance or is participating in a special loan program, it must still contribute at least **\$1,000** of its own funds. The family may also be responsible for other costs.



Are there other program requirements?



Families receiving assistance must participate in and complete a series of classes or individual meetings that explain the Homes for Arizonans requirements, the home buying process, and the family's responsibilities. These meetings are free and are held in various locations and at various times throughout the year. The agency in your area can provide you with additional information regarding these classes and other program requirements.

To apply contact the agency for the county where you wish to purchase a home.

<u>County</u>	<u>Agency</u>	<u>Phone Number</u>
Gila, Pinal (Sandra Weis or Iris Glass)	Arizona Department of Housing	(602) 771-1000
Yuma (Maritza Villafana)	Housing America Corporation	(928) 627-4221
Apache, Navajo, (Terry Nagle)	Northern AZ Council of Governments	(928) 289-6020
Coconino, Yavapai (Kim Haislet) ex 1148	Northern AZ Council of Governments	(928) 774-1895
Cochise, Graham, Greenlee, Santa Cruz (Julie Packer)	South Eastern Arizona Governments Org.	(520) 432-5301
La Paz, Mohave (Tania Bishop)	Housing America Corporation	(928) 718-1888

Information contained in this fact sheet is subject to change.
Median household income and maximum purchase price are updated at least annually.

Homes for Arizonans is funded by:



1110 W Washington Street, Suite 310
Phoenix, AZ 85007

HOMES FOR ARIZONANS INITIATIVE LIEN TERMS:

The **Homes for Arizonans** closing cost subsidy comes in the form of a grant. The Homes for Arizonans down payment subsidy constitutes an interest-free, payment-deferred loan *to be repaid upon sale of the home, refinance, non-occupancy, or change in title, whichever may occur first. The beneficiary on the Deed of Trust will be the Arizona Dept of Housing or the Arizona Housing Finance Authority. All loans will be serviced by the beneficiary after closing.* Borrowers may refinance only if the payments are lowered and no cash is received. Other conditions may apply therefore you must contact the beneficiary before beginning any such process. The Homes for Arizonans Initiative is a Fannie Mae approved Community Second. A Promissory Note and Deed of Trust recorded in second lien position secures the Homes for Arizonans Initiative assistance.

The first mortgage amount should be no less than 80% Loan-to-Value. Closing costs, interest rate and borrower fees must be reasonable and in accordance with local custom and prevailing rates. Debt ratios may be no more than 33/41%. Please note, Lender's qualifying income may differ from the program qualifying income and therefore debt ratios may differ between Lender and the HOMES FOR ARIZONANS program.

Program guidelines require that the borrowers contribute a minimum of 3% of their own funds towards the down payment. If the family is receiving a gift, other assistance, or participating in a special loan program, they must still contribute at least \$1,000 of their own funds. They may also be responsible for other costs. Borrower's first mortgage must be a 30 year fixed rate loan; no adjustable rates are permitted with this program. Taxes and insurance must be impounded and no pre-payment penalties are allowed. Lender interest rates, broker fees and yield spread premiums are subject to program approval.

Information contained in this fact sheet is subject to change.

Median household income and maximum purchase price are updated at least annually.

Homes for Arizonans is funded by:



1110 W Washington Street, Suite 310
Phoenix, AZ 85007