

FIRST TIME BUYER DOWN PAYMENT ASSISTANCE PROGRAM

There is a little known program in existence which is a 3 to 1 match for Buyer's down payment. For example, if a Buyer put down \$2,000.00 and they qualified per the program guidelines they can get a match of \$6,000.00 for a total down payment of \$8,000.00, up to a maximum match amount of \$15,000.00. Of course there are some "hoops", but nothing like the previous NSP programs that were not terribly successful. Below you will find more information, call Judith Watson at 602-770-6633 to determine your eligibility.

General Program Guidelines:

- Must be a first-time homebuyer (haven't owned a home in the past 3 years). ALSO note, you may qualify as a first-time homebuyer if you are a single parent and owned a home with a former spouse, or if you are a "displaced homemaker" and have only owned a home with a former spouse.
- Must earn 80% or less of the HUD Area Median Income (AMI)
- Must complete an approved homebuyer education and counseling program.
- Funds may only be used toward down payment and/or reasonable and customary closing costs for purchase a primary residence.
- Total debt-to-income cannot exceed 43%.
- The funds are a forgivable loan secured by a Deed of Trust and
- Note - must live in the home for 5 years (repayment is prorated if less than 5 years).
- Funds may be used anywhere in Maricopa County.
- Must obtain a mortgage loan from a participating financial institution.
- Participants pay Newtown a \$435 administration fee: \$35 at time of enrollment and \$400 at closing when the home is purchased. The \$400 fee is not charged if the Participant does not purchase a home and use IDA match funds.
- Specific Program Guidelines - IDEA and WISH
- To receive IDEA match funds, Participant must open an IDA savings account with a participating bank, make consistent monthly deposits (\$20) for a minimum of 10 months and must open an escrow on a home purchase transaction within five years of enrollment in the IDEA program. Gift funds are not allowed. Savings must be from "earned income."
- To receive WISH match funds, Participant must deposit funds in an IDA savings account with a participating bank. Gift funds are allowed. Homebuyer must open escrow within one year of enrollment in the WISH Program. Use of another down-payment assistance program is no longer required.

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