

## UP TO \$15,000 IN DOWNPAYMENT ASSISTANCE IS WAITING.

### **HOUSING ASSISTANCE PROGRAM (HAP)**

HAP is funded by the City of Flagstaff with Community Development Block Grant Funds, providing up to **\$15,000** in financial assistance to be used for **down payment and/or closing costs**. Assistance is provided on an as-needed basis to fill the gap between what the client can qualify for in a mortgage and what the purchase price (and purchase costs) are.

#### Program details:

- Household must contribute a minimum of 1% of purchase price or \$2,000 - whichever is greater - to the home purchase. Household contribution must be seasoned buyer funds or documented buyer funds - cannot be a gift.
- Assistance is provided in the form of a payment-deferred loan.
- Loan is **NEVER** forgiven and is repaid when the homeowner (1) sells the home (2) no longer owner-occupies the home; or (3) refinances the home to access equity. If buyer is refinancing to lower payment, lower interest rate or lower term with no "cash out," assistance repayment can be deferred.



### **ABOUT HSNAZ**

Housing Solutions of Northern Arizona is a nonprofit housing organization serving northern Arizona since 1990. We are a HUD-approved housing counseling agency. Our Housing Counselors are trained and certified through *NeighborWorks*. Through confidential, one-on-one assistance, we help families in northern Arizona prepare for homeownership and navigate the purchase process.

### **ELIGIBILITY**

- Be first-time homebuyers\*
- Household earns **under** 80% of Area Median Income (see chart on back).
- Income and assets (not including retirement) from all household members is counted. Household assets at closing cannot exceed 4 months house payment.
- Buyer qualifies for a traditional mortgage from a mortgage lender or bank.
- Client housing ratio must be between 30-35% of gross monthly income; debt-to-income ratio not to exceed 45% of gross monthly income.
- Buyer must own and occupy the property as their primary residence for the full-term of the loan.
- Purchased home must be a single-family home, condominium, townhome, or manufactured home.
- Purchased home must be located within Flagstaff city limits.
- Buyer must complete the online Homebuyer Education Course (offered in English & Spanish). Cost is \$99 - discounts available for active clients. Course must be completed prior to closing.
- All household members must be legal permanent residents or citizens.

**Household eligibility is solely determined by certified Housing Solutions Counselors, and must be completed prior to entering into a purchase contract, as a 45-60 day close of escrow is required.**





## DOCUMENTS REQUIRED TO DETERMINE ELIGIBILITY:

- 3 most recent (concurrent) **paystubs** for everyone in the household 18 and over, even if they are not going to be on the mortgage.
- **Proof of income** for any other income in the household which may include: child support (judgement or print-out from the courts), social security award letters, unemployment, workman's comp, etc.)
- 3 months most recent **statements for all asset accounts** - checking, savings, 401(K), pensions, investments, stocks, bonds, life insurance, with cash value prior to death, lump-sum receipts or settlements.
- **Picture ID** for everyone living in the home who is 18 years old and over.
- **Social Security Cards** for everyone in the household. Those who have Social Security Cards with the wording "for work only" must also bring their legal residence card.
- Signed **Income Tax Returns** for the most recent 2 years including W-2(s), 1099's, 1098's, etc.
- **Additional documents may be required by the grant funder.**

Household eligibility is solely determined by certified Housing Solutions Counselors, and must be completed prior to entering into a purchase contract, as a 45-60 day close of escrow is required.

### FEES

**\$19.90** Credit Reports (per homebuyer - if needed)

**\$99.00** Online Home Buyer Education Course (discount coupon for active clients)

### HOW TO APPLY

1. Call (928)214-7456 to complete screening with housing counselor
2. Complete Application Packet
3. Gather and submit documents to determine eligibility (see above).
4. Schedule appointment with housing counselor to explain program details and process\*

\*45-60 day close of escrow required

### 2018 80% Area Median Income Limits

Family Size	1	2	3	4	5
Coconino	\$39,200	\$44,800	\$50,400	\$56,000	\$60,500

April 2018, U.S. Department of Housing and Urban Development



### Repayment example

Repayment is based on equity-share formula.

**Original Purchase Price:** \$150,000.00

**Original Assistance Amount:** \$15,000.00

Assistance is 10% of purchase amount

**Resale Price:** \$175,000.00

**10% of Resale Price:** \$17,500.00

Client would repay 10% of sales price



### Contact us

Funding is limited. To schedule an appointment to see if you qualify, contact Housing Solutions at (928)214-7456 or email us at [info@housingnaz.org](mailto:info@housingnaz.org).



[housingnaz.org](http://housingnaz.org) | Office Address 2304 N 3rd St, Flagstaff, AZ 86004 | Mailing Address PO Box 30134, Flagstaff, AZ 86003  
Phone (928)214-7456 (Relay service for hearing impaired 711) | Fax (928)774-6937 | Hours M - F 8AM - 5PM

Housing Solutions does not discriminate on the basis of race, color, religion, sex, national origin, handicap or familial status in employment or program services. Special accommodations will be made for the physically challenged, upon notification.