

HOMEOWNERSHIP PROGRAM INFORMATION

Who is eligible for this program?

- First-time homebuyers (have not owned a home in the past 3 years)
- Households, including single people, whose **combined** yearly income does not exceed 80% of the area median income adjusted for family size (see chart on back).
- Borrowers who can qualify for competitive mortgage loans.
(30-year fixed rate only, full debt ratio cannot exceed 41%)
- Must be a U.S. Citizen or have Legal Residency in the U.S.
- Residents of Arizona

What properties are available in this program?

- Properties permanently attached to a foundation can be selected by the buyers and must be located in areas where funding is currently available: Scottsdale, Glendale and Avondale. (subject to availability)
- All properties are subject to and must pass Housing Quality Standards, Environmental and other inspections deemed necessary by CSA.

How much do you have to contribute?

- Your time to attend 8-hour Free Homeownership Education Class and one-on-one counseling as deemed necessary by your counselor.
- If you feel you that you might qualify for assistance there is a \$40 non-refundable fee to process your application.
- Buyers must contribute \$1,000 of their own money or as little as 3% depending on the loan program.

How do you qualify?

- Complete the required education course.
- Complete an application along with a \$40 non-refundable processing fee.
- After attending the education course, bring the application, documentation and fee to a scheduled counseling appointment.
- When a household is determined to be income eligible for this program, **it does not automatically qualify to buy a home.**
- The applicant must apply to a bank or mortgage company for their home loan and must meet the lender's requirements (30 year fixed rate mortgage loan only).
- Locate a suitable affordable property.
- No swimming pools allowed, except where there are community pools (Town Homes/Condominiums).
- Provide the minimum buyer contribution of at least \$1,000 possibly more depending on loan program.
- Perform duties required for escrow processing.



What type of assistance will be provided if you qualify?

- You will qualify for the amount of assistance that is available in the city in which you are purchasing. Ask your Housing Counselor what funds are available in the area you are purchasing and if funding is still available. The exact amount of assistance will be calculated upon CSA's receipt of the pre-audit from the title company.
- Down payment and closing cost assistance (which is the difference between the total required costs to purchase a property and the buyer's minimum \$1,000 contribution).
- Assistance levels vary by availability, location and depend on need.

Areas of Available Assistance:

City of Glendale (acquisition), City of Avondale (acquisition), City of Scottsdale (acquisition).

Funding amounts vary by city.

During your counseling session the amount you qualify for and the availability of funds will be discussed.

Maximum Property Value by County: **MARICOPA**

THE PARTICIPANT'S PROPERTY PURCHASE CANNOT EXCEED \$328,937 which is 95% of the FHA Maximum Mortgage Limit of \$346,250.

When must this money be repaid?

Assistance money is distributed to eligible buyers in the form of *interest-free and payment-free loans, with conditions. In general, buyers must continuously occupy their new home as their primary residence in order to avoid repayment of the assistance loan. The amount borrowed must be immediately repaid if the owner sells, rents, transfers ownership, vacates or defaults on the property. These and other resale restrictions are spelled out in legal documents that will be reviewed in counseling and must be signed by the participant(s) at the closing appointment.

*CSA's assistance is in the form of a non-interest bearing silent second loan. No payments are due while property is the primary residence of the assisted homebuyer

How do I start?

Education classes are available to everyone! If you appear to meet the threshold income eligibility and other guidelines or if you still have questions, or would like to enroll in our FREE Homeownership Education class. contact the Program Administrator at 623-435-2255 x100.

80% MEDIAN INCOME LEVELS BY COUNTY FOR 2008/2009

County	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
APACHE	\$23,700	\$27,100	\$30,450	\$33,850	\$36,550	\$39,250	\$41,950	\$44,700
COCHISE	\$26,950	\$30,800	\$34,650	\$38,500	\$41,600	\$44,650	\$47,750	\$50,800
COCONINO	\$33,050	\$37,750	\$42,500	\$47,200	\$51,000	\$54,750	\$58,550	\$62,300
GILA	\$25,600	\$29,250	\$32,900	\$36,550	\$39,450	\$42,400	\$45,300	\$48,250
GRAHAM	\$24,300	\$27,750	\$31,250	\$34,700	\$37,500	\$40,250	\$43,050	\$45,800
GREENLEE	\$30,350	\$34,700	\$39,000	\$43,350	\$46,800	\$50,300	\$53,750	\$57,200
LA PAZ	\$23,700	\$27,100	\$30,450	\$33,850	\$36,550	\$39,250	\$41,950	\$44,700
MARICOPA	\$35,950	\$41,100	\$46,200	\$51,350	\$55,450	\$59,550	\$63,650	\$67,800
MOHAVE	\$33,100	\$37,850	\$42,550	\$47,300	\$51,100	\$54,850	\$58,650	\$62,450
NAVAJO	\$23,750	\$27,100	\$30,500	\$33,900	\$36,600	\$39,300	\$42,050	\$44,750
PIMA	\$30,800	\$35,200	\$39,600	\$44,000	\$47,500	\$51,050	\$54,550	\$58,100
PINAL	\$32,800	\$37,500	\$42,200	\$46,900	\$50,650	\$54,400	\$58,150	\$61,900
SANTA CRUZ	\$24,650	\$28,150	\$31,700	\$35,200	\$38,000	\$40,850	\$43,650	\$46,450
YAVAPAI	\$28,300	\$32,300	\$36,500	\$40,400	\$43,650	\$46,850	\$50,100	\$53,350
YUMA	\$24,250	\$27,700	\$31,200	\$34,650	\$37,400	\$40,200	\$42,950	\$45,750

HUD Maximum Income Limits Effective April 2008

August 08



Valley of the Sun
United Way



FORCLOSURE INTERVENTION COUNSELING & RESCUE FUND

Community Services of Arizona is a HUD Certified Housing Counseling Agency. We provide Foreclosure Intervention counseling to assist households facing foreclosure. Our Certified Housing Counselor will assist you with contacting your mortgage company and initiate Loss Mitigation process. We will help you create a savings plan to identify income and expenses. An action plan with a hardship letter can be created which may be used in the loss mitigation package submitted to the servicer/lender to avoid future foreclosure proceedings.

Financial Assistance available to those who qualify

One-on One counseling session includes:

- Reason for default: What caused the delinquency? Has it been resolved?
- Commitment: Are homeowner(s) committed to staying in the home?
- Timeline: what is the foreclosure process?
- Affordability: based on the budget, can the homeowner(s) afford the mortgage payment on a long term basis. (Expense Worksheet)
- Solvability: Would loss mitigation be a long-term solution that will keep the homeowner(s) in the home? Is there time? Is there a sale date? (Action Plan)
- Other Relevant Information: Are there other issues or circumstances to be considered, referrals to other resources.

Note: Foreclosure Prevention Arrears Assistance(Rescue Fund) is secured with a silent deed of trust and a promissory note.

FHA AND NON-FHA REVERSE MORTGAGE COUNSELING

Community Services of Arizona is a HUD Certified Housing Counseling Agency that provides counseling to those seeking a Reverse Mortgage.

Reverse Mortgage Counseling meets the needs of elderly households by exploring reverse mortgage options, other lending products and other community resources available to meet their needs

A Reverse Mortgage is available to homeowners who are 62 years or older. It is a loan against your home that requires no repayment for as long as you live in your home.

With a Reverse Mortgage you can convert a portion of your home equity into cash.

Counseling Requirements:

To be eligible for a FHA Reverse Mortgage (HECM), a homeowner must receive counseling from a HUD-approved counseling agency.

- The counseling agency issues a certificate to the homeowner certifying that the homeowner has received counseling.
- The homeowner must submit this certificate to a lender for submission to HUD as part of the lender's application for HECM insurance.

If you have questions, or would like more information or to schedule a intake/counseling session contact the Program Administrator at 623-435-2255 x100

