



Family Housing Resources

# WISH

## Down Payment Assistance | Program Guidelines

### **THE HOMEBUYER MUST BE APPROVED BY WISH PRIOR TO OBTAINING A PURCHASE CONTRACT**

ASSISTANCE AVAILABLE – up to 4 x the amount of the homebuyer’s contribution, to the purchase transaction, up to \$30,000

**Attendance at FHR’s online Homebuyer Education Class and virtual meeting with a housing counselor is required prior to signing a purchase contract**

**After approval from WISH, the purchase contract can show a minimum of 30 days to close.**

WISH is a down payment assistance program for homebuyers at or below 78% of the median income

2024 Income Limits (78% of Median Income)		
1 Person \$48,750	2 Persons \$55,750	3 Persons \$62,712
4 Persons \$69,654	5 Persons \$75,192	6 Persons \$80,808

An \$800 Homebuyer Counseling fee is required and made payable to FHR. This fee can be paid at closing using the assistance.

### **HOW TO APPLY/PROCESS**

1. Applicant attends online class and applies for down payment assistance by contacting [info@fhrinc.net](mailto:info@fhrinc.net)
2. After counseling is completed, all documents have been received and homebuyer is pre-approved by FHR, homebuyer is submitted to WISH for their approval. This process usually takes 2 weeks depending on the documentation submitted.
3. Following approval and once the purchase contract has been received, WISH reserves the funds.
4. FHR can close the transaction in 30 days.



## **ASSISTANCE**

- The homebuyer is required to contribute at least \$2,000 (can be gifted but not from seller)
- The assistance is in the form of a 5-year forgivable silent second lien. Member Bank is lien holder
- FHR conducts pre-approval and works with the Member Bank who provides the funds
- May be combined with other forms of assistance
- Funds are limited. Funds are available after April 1 and usually continue through Aug/Sept

## **HOMEBUYER**

- Homebuyer education and counseling is required for applicants. Visit FHRTucson.org to take the class.
- The homebuyer must be a first-time homebuyer as defined by FHLB (has not owned within 3 years)
- The homebuyer must have one months of a mortgage payment in reserves (this is in addition to client contribution)

## **LOAN**

- The interest rate on the loan must reflect "par", market rate
- The housing ratio maximum is 35%. The debt ratio maximum is 45%
- The lender may charge a 1% origination and lender fees may not exceed \$1,000 (underwriting, processing, admin, application etc./not credit report, appraisal, tax service or flood).
- There may not be any cash back, refunds or payment of credit cards
- Credit scores are not considered, as long as the remaining program parameters are met

## **PROPERTY**

- The home must be owner-occupied or vacant
- The assisted homebuyer must occupy the home as their primary residence
- A home inspection (with an inspector of choice) is required and paid by borrower. FHR will review for habitability
- The Contract Purchase Price/Sales Price must not exceed the appraised value of the property
- Manufactured homes are acceptable if already on land and affixed. Condos are acceptable too.

## **LENDER PACKET**

- Purchase contract with all addendums
- 1008, 1003, Loan Estimate, Closing Disclosure

## **HOMEBUYER DOCUMENTS REQUIRED**

- ⚙ **Most recent and concurrent pay stubs (4 pay stubs if paid every other week or semi-monthly and 8 pay stubs if paid weekly) for *everyone* in the household 18 and over, even if they are not going to be on the loan.**
- ⚙ **First pay stub of the year (the date of 1/1 must be in pay period and the current gross must equal the YTD gross)**



- ⚙ **Proof of Income** for any other income in the household which may include child support (judgment or print out from courts), social security award letters, unemployment, workman's comp, etc.)
- ⚙ **1 months most recent statements** for all accounts – checking, savings, CD's, etc.
- ⚙ **Picture Id** for everyone living in the home who is 18 yrs old and over.
- ⚙ **Birth Certificates** for all household members under 18. If you do not have Birth Certificates you can order them thru the office of Vital Records at the Health Department in your County of birth
- ⚙ **Social Security Cards** for everyone in the household. If you do not have a social security card you must apply for one at the Social Security Office.
- ⚙ **Income Tax Returns** for the most recent year including W-2(s), 1099's, 1098's etc..  
Self-employed borrowers are required to send the most recent 2 years of returns and 1099. If not available, call the IRS for Transcripts at 1-800-829-1040. Returns must be signed and dated
- ⚙ **Credit Report.** Obtain a copy of your credit report from your lender or bring a recent one you have received. (FHR can obtain one for you for \$19.00 per person)
- ⚙ **Household Budget.** Obtain a budget form from FHR to list your current income and expenses. First list your current expenses as a renter, then list what will change as a homeowner.
- ⚙ Additional documentation may be required.

