



HOME PLUS DPA PROGRAM INFORMATION FOR ARIZONA REAL ESTATE PROFESSIONALS

please visit HomePlusAZ.com for most up-to-date program information

Down Payment Assistance (DPA) programs are often misunderstood. There is an incorrect perception in the marketplace that DPA buyers are somehow less creditworthy or that the process to obtain down payment assistance is burdensome, but neither case is true.

- Home buyers / borrowers in the **HOME+PLUS** DPA program have good credit, income, job stability and fully qualify for the new underlying FHA, Fannie, Freddie, VA or USDA mortgage, they simply lack the resources for the down payment and/or closing cost.
- Furthermore, the process to obtain **HOME+PLUS** assistance follows the normal timeline for any mortgage and can be as quick as the home buyer, Realtor and lender make it.

Homeownership makes a direct and meaningful impact on a first-time buyer, creating a tangible asset that provides the ability to borrow, build wealth and achieve independence. Additionally, a healthy and active first-time homebuyer market creates move-up opportunities for existing homeowners and generates a positive economic ripple effect throughout the community.

Resources like the **HOME+PLUS** Home Buyer Down Payment Assistance program should be viewed as a favorable vehicle to move more renters into homeownership.

PROGRAM HIGHLIGHTS

- The **HOME+PLUS** program is available Statewide: all Counties, all Cities, all zip codes.
- The **HOME+PLUS** program is administered by the Arizona Industrial Development Authority (AzIDA), a non-profit corporation and political subdivision of the State of Arizona, formed by the Arizona Finance Authority.
- NO taxpayer funds are used for the **HOME+PLUS** program. The program is self-funded from money raised in the national capital markets and income generated from our program operation. The **HOME+PLUS** program is continually funded without a sunset date.
- Over 500 new home buyers a month access the program receiving on average \$9,000 of **HOME+PLUS** down payment assistance.
- Program participants must work with an approved **HOME+PLUS** mortgage lender. There is NOT a direct application from the home buyer. Visit our website to locate an approved lender near you or download the pdf.
- There are three specific **HOME+PLUS** program requirements:
 1. Annual borrower income under \$109,965 (*Limit increased to \$109,965 May 1st, 2020*)
 2. A minimum credit score of 640
 3. Completion of a pre-purchase home buyer education program
- An asset test is not part of program qualifications. If the home buyer has existing funds, they can use the **HOME+PLUS** assistance and either keep their current funds in savings or combine their current funds with the **HOME+PLUS** assistance.



INTEREST RATES

The interest rates for the respective underlying first mortgage are set by AzIDA and are the same for each program approved participating lender. Our interest rates follow the market and are subject to the same daily fluctuations as mortgage interest rates outside the DPA program.

The interest rates for the respective underlying mortgages could be slightly higher than the interest rate if a buyer uses their own funds for the down payment and closing costs. Furthermore, there is a different interest rate for each of the 22 different down payment assistance options.

A program approved lender will be able to provide interest rate and PITI payment (including mortgage insurance) comparisons between the different **HOME+PLUS** program options and a straight mortgage in which the homebuyer provides the down payment and closing costs. The home buyer can then determine their best course of action.

TERMS & CONDITIONS OF THE HOME PLUS DPA

The DPA assistance under the **HOME+PLUS** program is provided in the form of a second mortgage with either of the following two terms:

- 1. FORGIVABLE DPA:** Three-year, no interest, no payment, deferred soft second mortgage, forgiven monthly at a rate of 1/36 over the term of the lien. The DPA second mortgage is fully forgiven after the 36th month (3-years). The homeowner can choose to refinance (or sell) their **HOME+PLUS** first mortgage at any time, however if a refinance (or sale) occurs in the first 36 months the DPA 2nd lien would need to be paid (note amount less the number of forgiven months from closing date).
- 2. NON-FORGIVABLE DPA:** A life of loan second mortgage, with no interest, no payments, deferred soft second mortgage with no forgiveness. The DPA second mortgage will need to be paid in full upon refinance or sale of the property.

AzIDA does not subordinate or provide exceptions to the DPA repayment terms.

MARKETING MATERIALS

Visit HomePlusRealtors.com to access marketing materials.

- 1. PRODUCT MARKETING SHEETS:** A variety of letter size one-sheets. Featuring "down payment assistance" and "home buyer education". Each sheet also has a section for your branding and contact information.
- 2. HOME PLUS LOGOS:** There are a selection of approved logos for your use. PDF, JPG, PNG, versions depending on your application needs.

If you are in need of assistance with editing / modifying collateral materials to help you promote the Home Plus DPA program, please email: Marketing@HomePlusAZ.com

CONTACT HOME PLUS

For questions regarding the Home Plus DPA program of Arizona, please contact:

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