



2010 MRB Homebuyer Assistance

Down Payment to assist low-income* homebuyers using the 2010 MRB loan. Assistance amount is 4.5% of the purchase price to a maximum of \$6,000

The 2010 Mortgage Revenue Bond (MRB) loan is a 30-year fixed rate loan at 4.55% and is offered through participating lenders

***Low-Income = 2010 Maximum Household Income Limits (80% of Median Income)**

1 Person	\$33,050	3 Persons	\$42,500	5 Persons	\$51,000	7 Persons	\$58,550
2 Persons	\$37,800	4 Persons	\$47,200	6 Persons	\$54,800	8 Persons	\$62,350
Purchase Price Limit \$239,850							

Application Process

- Lenders who have a MRB reservation for a qualified homebuyer can forward the lender packet to FHR Housing Counselor Mario at Mario@fhrinc.net or fax to 323-3788. Clearly indicate that this is for MRB down payment assistance.
- Due to the overwhelming demand for this program preference will be given to homebuyers who have signed a purchase contract.
- FHR may require a minimum of 30 days to process the assistance AFTER all information has been received

Lender Packet

1. 1003, Costs Worksheet , GFE, TIL and AUS findings
2. Documentation to verify Household Income (also provide number of members in the household)

Provide the required documents for each household member 18 years of age or older:

- Employment Income.** 1) A copy of last year's federal tax return, including copies of W-2's and all schedules **AND** copies of last two-month pay check stubs
- Dividend/ interest income:** Copy of most recent bank, brokerage, or other account statement(s). Provide one copy of each of the most recent checking, savings, and investment account statement(s).
- Pension/Social Security Income/VA:** Copy of most recent award letter
- Unemployment compensation:** Copy of award letter showing term of benefits
- Public assistance:** Copy of most recent award letter, specifying the amount of assistance.
- Alimony, child support, or separate maintenance income:** Copy of award letter(s) from the courts.

MRB Homebuyer Assistance Program Guidelines

- ✓ Homebuyers and their spouses/partners must attend FHR's Homebuyer Education Class
- ✓ The assistance is in the form of a second lien which will be paid back when the home is sold (plus 2% simple interest up to year 20)
- ✓ The lien will remain in second position. Subordinations require approval from City or County
- ✓ Income used to determine eligibility for the loan and the assistance is household income. This income includes the income of all adults who will live in the newly acquired home
- ✓ The homebuyer is required to contribute at least \$1,000 (gifted ok, not by seller, agent, lender)
- ✓ The homebuyers liquid assets may not exceed \$10,000 after contribution to their home purchase
- ✓ The homebuyer must not owe any amounts to the City of Tucson for Section 8 or Public Housing
- ✓ Front-end ratio minimum 20% maximum 35%; Back-end ratio maximum 45%
- ✓ The assistance may not be used with other HOME funded down payment/closing costs assistance
- ✓ The home must be owner-occupied, new or vacant
- ✓ The assisted homebuyer must occupy the home as their current residence
- ✓ A home inspection will be required and is paid by FHR, using City contracted inspectors. The home to be purchased must meet standards identified by HUD and Local Code. Items identified by the inspector as not meeting these standards must be repaired prior to closing and the provision of homebuyer assistance
- ✓ **Lenders are responsible for obtaining investor approval of MRB down payment assistance early on in the processing in order to prevent delay of closing**

Funding is provided by HUD through City of Tucson/Pima County Community Services. (06/17/10 CY)