



WISH Guidelines 2018

WISH is a down payment assistance program for homebuyers at or below 78% of the median income. The amount of the assistance can be up to three times the amount of the homebuyer's contribution up to \$15,000.

Attendance at FHR's Homebuyer Education Class and meeting with a housing counselor is required

The program requires a minimum of 45 days to close after all information has been received by FHR, therefore contracts should be written for 45-60 day closings. Due to high volume of requests, FHR may request a closing be extended

Fee of \$800 to FHR that can be paid at closing using the assistance

<u>2018 Income Limits (78% of Median Income)</u>					
1 Person	\$33,150	2 Persons	\$37,830	3 Persons	\$42,588
4 Persons	\$47,268	5 Persons	\$51,090	6 Persons	\$54,834

Assistance

- The homebuyer is required to contribute at least \$2,000 (can be gifted, not 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
- Funds are limited

Homebuyer

- Homebuyer education and counseling is required for applicants. Homebuyer Education class must be completed prior to purchase contract date. Call FHR to schedule class and counseling
- The homebuyer must be a first-time homebuyer as defined by FHLB (has not owned within 3 years)
- The homebuyer's liquid assets may not be more than \$10,000 after contribution to home purchase
- The homebuyer must have one month's of PITI 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)
- Credit scores are not considered, as long as the remaining program parameters are met
- Lenders are responsible for obtaining approval for this program with investors. Approval information is located at <http://www.fhlbsf.com/community/grant/wish.aspx#5>.



Property

- The home must be owner-occupied or vacant
- The assisted homebuyer must occupy the home as their primary residence
- A home inspection (with inspector of choice) is required and paid by borrower. FHR will review for habitability
- The property must be located in Pima County including the City of Tucson
- The Contract Purchase Price/Sales Price must not exceed the appraised value of the property
- Manufactured homes acceptable

Lender Packet

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

How to Apply

- Enroll in FHR homebuyer education class prior to signing purchase contract. Call 318-0993 to schedule
- Make an appointment for income eligibility and counseling (bring documents shown below)

Homebuyer Documents Required

- ☀ Most recent concurrent pay stubs (4 for every other week or semi-monthly and 8 if paid weekly) for everyone in the household 18 and over, even if they are not going to be on the loan.
- ☀ 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 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 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
- ☀ 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 bring the most recent 2 years of returns and 1099. If unavailable, call the IRS for Transcripts at 1-800-829-1040. It takes 3 to 4 weeks to get them by mail or if you have a fax machine they will fax them to you. Let the IRS know that you are purchasing a home and you need these transcripts ASAP for the loan to process.
- ☀ Credit Report. Obtain a copy of your FICO/tri-merged credit report from your lender. (FHR can obtain one for you for \$14.50 per person).
- ☀ Additional documentation may be required.