

DOWN PAYMENT ASSISTANCE PROGRAM

What is the LTS Down Payment Assistance Program?

The LTS Down Payment Assistance Program provides assistance to First Time Homebuyers in the Fairbanks North Star Borough who are purchasing a single-family home. Applicants using this program will be expected to occupy the home as their primary residence.

The LTS Program was developed to assist income-eligible applicants with obtaining homeownership – Those who can qualify for a primary Mortgage loan, but may not have the funds available to cover the cost of down-payment and closing costs. A benefit of this loan program is the ability to avoid PMI (private mortgage insurance), which can lower the homebuyer’s overall mortgage payment.

Loan amounts for the LTS Program may not exceed **20%** if the purchase price. This loan is considered a second mortgage, so applicants will also need to meet first mortgage loan-to-value (LTV) requirements from their primary lender.

Program Overview:

- Funding is provided by *Alaska Housing Finance Corporation* and program is subject to funding availability
- Program is used to assist with the acquisition of a primary residence, and is used in conjunction with a primary mortgage loan through an approved lender
- Fixed principal and interest payment, fixed interest rate, with a maximum loan term of 20 years
- Assistance is in the form of a second mortgage loan with monthly payments made payable to FNHS
- Loan is secured by a second Deed of Trust to the purchased property
- Applicants must demonstrate the ability to afford both mortgage payments. Total debt-to-income (DTI) ratio may not exceed **43%**

What Properties Are Eligible?

- Single-family residences in the Fairbanks North Star Borough
- Duplexes are not eligible
- Condos/Townhomes must be on AHFC Approved Condo list

Applicant Eligibility Guidelines:

- First-Time Homebuyers
- US Citizen or Permanent Resident Alien
- Prequalified with a primary Mortgage lender, or have the ability to become prequalified
- Minimum credit score of **620**
- The homebuyer’s annual household income may not exceed **120%** of area-median income, as determined annually by the U.S Department of Housing and Urban Development (HUD), and adjusted by family size
- Minimum borrower contribution of **\$1,000**, or **1% of the purchase price**, whichever is greater

Income Details:

To be eligible for assistance, the applicant’s total household income may not exceed the limits shown below. Even if the applicant is not using other household income to qualify for a mortgage loan, Fairbanks Neighborhood Housing Services require that the applicant’s total household income not exceed these limits. We require evidence of income for any members 18 or older.

1 person	2 people	3 people	4 people +
\$78,120	\$89,290	\$100,440	\$111,600

Documentation Checklist

Please submit the following documentation (where applicable) with your completed application

- Prequalification letter from primary mortgage lender
 - Valid government-issued photo ID
 - 3 years most recent tax returns with all schedules
 - 3 years most recent W2s and 1099s
 - 30 days most recent paystubs
 - 3 months most recent bank/asset statements for **all accounts**. This includes, but is not limited to; investment accounts, life insurance, stocks, or bonds.
 - Most recent retirement statements
 - Social Security, Pension, or other benefits letters for all household members
 - Year-to-date profit and loss statement
 - Letter of explanation for any derogatory credit
 - Letter of explanation for any gap in employment
 - Divorce decree and/or child support order
 - Certificate of Completion for the AHFC HomeChoice class, or any HUD-approved homebuyer education class
 - Most recent Credit Report issued by primary mortgage lender
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Application for Program Enrollment

Please carefully review and complete all sections of this application. Please type or print with ink.
Incomplete applications will result in a delay in processing.

Part I: General Information

Applicant Name: _____	Date of Birth: _____	SSN: _____
Phone: _____	Email: _____	
Co-Applicant Name: _____	Date of Birth: _____	SSN: _____
Phone: _____	Email: _____	
Present Address: _____	City: _____	State: _____ Zip: _____
Length of Time: _____	Landlord: _____	Phone: _____
Total Number in Household: _____ <i>Please list ALL additional members of your household</i>		
Name: _____	Relation: _____	Date of Birth: _____
Name: _____	Relation: _____	Date of Birth: _____
Name: _____	Relation: _____	Date of Birth: _____
Name: _____	Relation: _____	Date of Birth: _____
Name: _____	Relation: _____	Date of Birth: _____
Name: _____	Relation: _____	Date of Birth: _____
Name: _____	Relation: _____	Date of Birth: _____
Name: _____	Relation: _____	Date of Birth: _____

Part II: Household Employment Information

If time at employer is less than **2 years**, or if there are additional employers, please use a separate sheet of paper to provide that information

Applicant Employer: _____	Date of Hire: _____
Work Address: _____	
Position/Title: _____	Hours Per Week: _____ Regular Overtime? Y / N
Hourly Wage: _____	Monthly Gross Income (before taxes): _____
Supervisor Name: _____	Phone: _____
Co-Applicant Employer: _____	Date of Hire: _____
Work Address: _____	
Position/Title: _____	Hours Per Week: _____ Regular Overtime? Y / N
Hourly Wage: _____	Monthly Gross Income (before taxes): _____
Supervisor Name: _____	Phone: _____

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Part III: Household Income, Assets, and Liabilities

Additional Income of All Household Members

Alimony:	Y / N	Monthly Amount: _____	Annual Amount: _____
Child Support:	Y / N	Monthly Amount: _____	Annual Amount: _____
SSI/SSDI:	Y / N	Monthly Amount: _____	Annual Amount: _____
Food Stamps:	Y / N	Monthly Amount: _____	Annual Amount: _____
Alaska PFD:	Y / N	How many years?: _____	How many received in household? _____
Dividends:	Y / N	Monthly Amount: _____	Annual Amount: _____

TOTAL ANNUAL HOUSEHOLD GROSS INCOME: _____

Assets of All Household Members

Checking Account(s):	Y / N	Total Balance: _____	
Savings Account(s):	Y / N	Total Balance: _____	
Children's Accounts:	Y / N	Total Balance: _____	
Real Estate/Land:	Y / N	Value: _____	
Business Ownership:	Y / N	Value: _____	Annual Amount: _____
Investments/401K/Stocks:	Y / N	Value: _____	Monthly/Annual Contribution: _____

TOTAL VALUE OF HOUSEHOLD ASSETS: _____

Liabilities of Loan Applicants

Auto Loan(s):	Y / N	Monthly Payment: _____	Balance Owed: _____
Student Loan(s):	Y / N	Monthly Payment: _____	Balance Owed: _____
Recreational Loan(s):	Y / N	Monthly Payment: _____	Balance Owed: _____
Personal Loan(s)/other:	Y / N	Monthly Payment: _____	Balance Owed: _____
Credit Card(s):	Y / N	Minimum Payment: _____	Balance Owed: _____ Credit Limit: _____
Child Support/Alimony:	Y / N	Monthly Payment: _____	

TOTAL MONTHLY PAYMENT OBLIGATIONS: _____

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Part IV: Background Information

Marital Status

- Single
 Married
 Separated
 Divorced
 Widowed
 Other _____
 Wish to not disclose

Race/Ethnicity

- African American
 Asian American/Pacific Islander
 White/Caucasian
 Hawaiian/Pacific Islander
 Hispanic/Latino
 Native American/Alaskan Native
 Other _____
 Wish to not disclose

Education Level

- High School Diploma or equivalent
 Some college
 Bachelor's Degree
 Master's Degree
 Greater than Master's Degree
 Did not complete high school

Do you or does anyone in your household have a disability?

- Yes
 No

Are you a Veteran of the United States Military?

- Yes
 No

Are you a First Time Homebuyer?

- Yes
 No

How did you hear about Fairbanks Neighborhood Housing Services?

- Online Search
 Social Media
 Website
 Friend/Family
 Other _____
 Mortgage Lender _____
 Realtor _____

Where are you in your home-buying process?

- Prequalified for a Mortgage loan
 Submitted an offer on a home with an earnest money agreement
 Mortgage Lender/Loan Officer: _____ Realtor: _____

- Not yet prequalified

Timeframe for Homeownership:
 0-3 months
 3-6 months
 6-9 months
 9-12+ months

Amount saved for down-payment and closing costs: _____

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APPLICANT ACKNOWLEDGEMENT

I understand that this is not a formal loan application and the information will be used for eligibility and prequalification purposes only.

_____ Initial _____ Initial

I understand that FNHS provides mortgage financing programs and services; I understand that I am under no obligation to utilize FNHS programs or services. I understand that FNHS encourages me to choose and will assist me in choosing mortgage financing programs that best meet my needs and are in my best interest.

_____ Initial _____ Initial

I understand that the information and documentation requested is for all household members. I certify that I have disclosed all members of my household, and their income, and have provided the required documentation.

_____ Initial _____ Initial

In order for FNHS to determine program eligibility, all documentation and information required must be submitted with your completed application form. Incomplete documentation will result in a delay in processing or determination. Loan Program Terms and Funding Availability are subject to change without notice. **A loan program prequalification or notice of eligibility is not to be considered a loan commitment.**

_____ Initial _____ Initial

All of the information provided is true and correct to the best of my knowledge:

Signature

Date

Signature

Date

You may submit your application in person, mail to 1427 Gillam Way, Fairbanks, AK 99701, fax to 907-451-7236, or email to loans@fnhs.org. All documents must be legible. Once you have submitted a completed application, please allow up to 5 business days for review.

Once your application has been reviewed and approved for enrollment into the program, FNHS will contact you to discuss the next step in the process. Applicants must be prequalified with a primary Mortgage lender in order for FNHS to proceed with the application process.