**FAIM Program**

**State Grant 2083/2005 (enrolled in 2021)**

**Guidelines for Personal Vehicle Purchase**

**Prior to Enrollment / Purchase:**

* Applicant may not already own a reliable vehicle
* Applicant must have/obtain a valid Minnesota driver’s license
* Minimum enrollment of 6 months + 1 day (from first deposit date)
* Completion of Financial Wellness Training – 12 hours, may include 1:1 coaching
* Completion of Car Care/Buying Class – 10 hours, may include 1:1 coaching and vehicle research
* Consistent deposits to FAIM savings account
* Coach must confirm that the participant’s budget supports cost of vehicle ownership:
* Ability to pay insurance, regular maintenance, tab renewal, driver’s license renewal, etc.

**FAIM Funds CANNOT be used for:**

* Luxury, high-performance, or sport vehicle, motorcycle, motorhome/RV, semi, etc.
* Vehicle purchased from an auction
* Vehicle accessories or upgrades
* Vehicle insurance
* Vehicle repairs / maintenance
* Vehicle loan payments
* Fines/fees or cost to obtain Minnesota driver’s license

**Eligible Use of FAIM Funds:**

* Purchase of a personal vehicle from a reputable dealership
  + ***Private party sales are excluded.***
* **Vehicle purchase including taxes and fees capped at $16,000 *- IF:***
* participant has additional funds toward purchase or can secure a loan at/below 5% interest for any balance remaining after FAIM funds have been applied.
* Coach determines client’s budget can support loan payments and cost of ownership.

**Required Documentation for Payout:**

* Copy of participant’s valid **Minnesota** driver’s license
* Proof of participant’s valid vehicle insurance (or quote from agency if not replacing a vehicle)
* Kelly Blue Book (kbb.com) **or** NADA (nadaguides.com) value for the vehicle being purchased.
  + Purchase price must fall between retail and private party value of these guidelines.
* Vehicle Inspection report – with passing grade from a reputable mechanic/garage.
  + If items are flagged - repair estimate is needed with the inspection report.
* W9 from the dealership
* Signed copy of Purchase Agreement (with description of vehicle, VIN, and purchase details)
* Copy required with payout request
* Another copy after purchase with FAIM funds applied to approved vehicle purchase.
* Copy of the front and back of the title - and lien release (if applicable).
* Copy required with payout request
* At time of purchase – signed copy with buyer’s info to document transfer of ownership.
* **Vehicle title transfer must be in FAIM participant’s name only**.
* Copy of loan document showing client info, loan amount, and interest rate – if applicable.