**FAIM Program**

**State Grant 2085 (enrollments in 2022)**

**Guide for Personal Vehicle Purchase**

**Prior to Enrollment / Purchase:**

* Applicant may not already own a reliable vehicle
* Applicant must have a valid Minnesota driver’s license
* Minimum enrollment period of 1 year + 1 day (from first deposit date)
* Completion of Financial Management 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, sport vehicle, motorcycle, motorhome/RV, semi, etc.
* Vehicle purchased from an auction (K-bid, estate, etc.)
* Vehicle accessories / 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 in MINNESOTA.
  + ***Salvaged vehicles and private party sales are excluded.***
* **Vehicle purchase including taxes and fees is capped at $16,000 *- IF:***
* Coach determines client’s budget can support loan payments and cost of ownership.
* Participant has additional funds out of pocket or can secure a loan at/below 8% interest for balance remaining after FAIM funds have been applied.

**Required Documentation for Payout:**

* Copy of participant’s valid **Minnesota** driver’s license
* Proof of participant’s valid vehicle insurance -OR- quote from agent if not replacing a vehicle
* kbb.com **or** nadaguides.com book value for the vehicle being purchased.
  + Dealership asking price must fall within the fair market range of the guideline.
* Vehicle Inspection report – with passing grade, completed by a reputable mechanic/garage.
  + If items are flagged - repair estimate is required with the inspection report.
* W9 from the dealership
* Copy of the Vehicle Purchase Agreement (with description of vehicle, VIN, and purchase details)
* Copy of the front and back of the title - and lien release (if applicable).
* If applicable - Copy of loan document showing client info, loan amount, interest rate, etc.
* **Client must provide the following to coach once the vehicle is picked up:**
* Copy of purchase agreement with FAIM funds listed -OR- itemized dealership receipt.
* Copy of the title transfer document that the dealership will file at DMV.
* **Vehicle title transfer must be in the FAIM participant’s name only**.