**FAIM Guidance for Home Purchase Asset Track**

1. Work to improve your credit score and reduce debt during FAIM enrollment.
2. Review your credit report, address any issues, pay off/down debts.
3. Work with your coach to create a monthly budget and review it periodically.
4. Your local coach can provide financial coaching and set goals for you.
5. Talk with a lender about your potential to be approved for a future mortgage
* The lender may provide advice on things you can work on to improve your chance of approval.
* To pre-qualify for a mortgage, you will need:
* A credit score of 650 or higher.
* Continuous sustained employment with sufficient income for expenses and mortgage payments.
1. Don’t apply for loans or make large purchase such as a vehicle – it could affect your ability to get a mortgage.
2. Make monthly deposits to your FAIM account to reach your savings goal within the 24-month deposit/match period.
* Total Saving Goal: $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* Deposit Deadline: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
1. You must meet FAIM’s minimum enrollment requirement of 6-months + 1-day after your first deposit date.
* Minimum Enrollment Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
1. You must successfully complete both required trainings before payout may be requested.
2. Financial Management Training – 12 hours. Comprised of a course which may be supplemented with 1:1 financial coaching.
3. Home Buyer Training – 10 hours. Some mortgage lenders may require homebuyer training to be completed. Many agencies use the Home Stretch or Framework curriculums.
4. The maximum enrollment period ends 30-months (2 ½ years) after your date of first deposit to FAIM savings.
* Exit Deadline: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
1. Once you are fully saved and have completed the required training - get pre-approved for a mortgage.
2. Meet with several lenders to discuss loan options, terms, interest rates, etc. and find your best deal.
3. Determine how much you qualify for before starting your home search.
4. Know what you can afford - don’t overstretch your budget.
5. Home insurance
	1. Meet with insurance agents to discuss coverage, deductibles, premiums, etc. and find your best deal.
	2. If you have a vehicle you may qualify for a multi-policy discount if you work with the same agent/company.
6. Work with a realtor to find an affordable home **within Minnesota!**
	1. Mobile homes, tiny homes and Contract for Deed are not eligible for a FAIM payout. Other exclusions may apply.
	2. FAIM funds may only be applied as down payment and/or closing costs at the time of home closing.
	3. If you are struggling to find a home in your budget, try widening your search area and/or reducing must-haves.
7. **You must contact your coach ASAP to request FAIM payout - at least 21 days before your closing date AND provide:**
8. Name and contact information of the title company and closing agent.
* Give the title company authorization to speak with your FAIM coach.
1. Copy of the Loan Estimate for the home being purchased, AND the date/time of your home closing.
2. After closing on the home:
3. Give your coach a copy of the Closing Disclosure (required).
* Ask the title company for an extra copy and drop it off at your coach’s office on your way home.
* Complete the FAIM Exit form (required) – your coach may have provided this form when you requested the FAIM payout.
1. Congratulations on your home purchase!
* Contact the post office to change your address.
* Notify anyone you do business with of your new address: utility companies, banks, credit card companies, newspaper/magazine subscriptions/memberships, service providers, clinics/pharmacy, etc.