



FAIM Program

Guide for Personal Vehicle Purchase

Vehicle Purchase Participant:

- May not already have a reliable vehicle in their household.
- Must have a valid Minnesota driver's license and be able to obtain insurance.
- Must complete minimum enrollment of 6 months + 1 day (from first deposit date) **BEFORE** shopping for a vehicle.
- Must complete 12 hours of Financial Management Training – course and 1:1 financial coaching
- Must complete 10 hours of Car Care/Buying Class – MN Attorney General's Car Handbook with 1:1 coaching.
- Must make regular deposits to their FAIM account to reach contracted saving goal within 24 months (or less).
- Must complete the program within their 30-month enrollment period **OR** grant end – whichever comes first.
 - FAIM coach must verify that the vehicle being purchased is affordable within the client's current budget.
Insurance premium, tab renewal, routine service (oil change, tire rotation), wear items (tires, brakes, battery, fluids, etc.)

CANNOT use FAIM funds for:

- Purchase of new, luxury, high-end, high-performance/sport or off-road vehicle, motorcycle, RV, semi, etc.
- Purchase from private party, auction or online dealer/seller (CarVana, CarHop, CarGurus, etc.)
- Purchase of vehicle with salvaged status/title.
- Purchase of an extended warranty/service contract, accessories/upgrades, paint/glass/body protections
- Purchase of vehicle for business use
- Vehicle loan payments, insurance premiums, repairs/maintenance
- Fines/fees or cost to obtain Minnesota driver's license

Eligible Use of FAIM Funds:

- ❖ **FAIM funds are not a down payment toward vehicle purchase – FAIM funds are for full payment of the vehicle.**
 - **TOTAL cost of vehicle (with tax/fees) is limited to participant's available savings/match – up to \$16,000.**
 - Purchase of a used vehicle, for personal use, from a reputable dealership in MINNESOTA.
 - **Dealership's asking price for the vehicle must be within the KBB or NADA fair market value range.**
 - FAIM recommends asking dealership to provide a CarFax or Experian AutoCheck vehicle history report.
 - **If deposit is paid to hold a vehicle, you may lose it if the vehicle is not approved for FAIM payout.**

Documentation Required for the FAIM Payout:

- Copy of participant's current valid Minnesota driver's license
- Quote from an agent for insurance coverage on the vehicle being purchased
- KBB or NADA fair market value printout – vehicle asking price (before tax/fees) must be within fair market range.
- Thorough vehicle inspection with passing grade – prefer completion by a non-biased mechanic/garage.
 - Repair Estimate is required for anything flagged on the vehicle inspection.
- Copy of the Vehicle Purchase Agreement completed by the dealership
- Copy of the current vehicle title (both sides) - AND lien release (if applicable).
- W9 form completed by the dealership
- ❖ ***After contacting the coach, FAIM participant must allow the program 21 days for processing the request.***

Follow-up Documentation Required After Purchase:

- Copy of final signed purchase agreement and receipt for the FAIM check.
- Copy of the title transfer document dealership will file at DMV – listing FAIM participant as sole owner.