

Cottonwood Employer Assisted Housing Program

Up to **\$15,000** in Downpayment Assistance



About EAH

City of Cottonwood will provide down payment assistance to eligible households to be used for down payment and/or closing costs on the purchase of a home. Down payment assistance funds are provided as a 3 to 1 match of homebuyer contribution; buyers can receive up to \$15,000 in assistance. Assistance is provided in the form of a loan- secured with a promissory note and recorded deed of trust.

- C-EAH funds pre provided as matching funds, based on client contribution.
- Home price may not exceed 1.3 times the median home price for the area.
- 3 to 1 match in down payment/closing cost assistance, up to \$15,000.00 per household.
- Housing Ratio maximum: 35% of household's gross monthly income.
- Debt-to-Income maximum: 45% of household's gross monthly income.

Eligibility

- To be eligible, at least one homebuyer per household must be employed by the City of Cottonwood and meet the following employment guidelines:
 - Worked for the City of Cottonwood in a non-temporary position for a minimum of 12 consecutive months.
 - Most recent performance evaluation demonstrates work performance meeting or exceeding expectations.
 - Not be on a performance work plan.
- C-EAH is for homebuyers who have not owned a home in Yavapai or Coconino counties in most recent three years.
- Eligible Buyers must complete the Housing Solutions' online homebuyer education course and one-on-one housing counseling prior to entering into a purchase contract.
- Eligible Buyers must occupy the home purchased with C-EAH funds as their principal residence.
- Eligible buyers are one employee per household; if two City of Cottonwood employees purchase a home as co-borrowers, the maximum assistance they can receive is \$15,000.00.
- Home purchase price may not exceed 1.3 times the median home price for Yavapai County.
- The home must be livable, passing lender guidelines for occupancy and purchase.

How to Apply

- 1 Call (928) 214-7456 or email angelak@housingnaz.org to request an application packet
- 2 Complete Application Packet
- 3 Schedule appointment with housing counselor to explain program details and process
- 4 Gather and submit documents to determine eligibility

Eligibility Cont.

- Although the Agency and the City of Cottonwood highly recommend buyers obtain a professional, impartial third-party home inspection by a licensed inspector, this is not a requirement of the program. However, the buyer will sign a Hold Harmless agreement at the time of purchase, ensuring they will not hold Housing Solutions of N. Arizona or the City of Cottonwood responsible for the condition of the home.
- Home must be purchased in approved geographic area, based on zip code. Purchase in the following zip codes is allowed: 86322, 86324, 86325, 86326, 86331, 86335, 86336, 86351.

Repayment of Assistance

1. C-EAH assistance is a loan that is secured against the property in second position behind the first mortgage (may subordinate behind another approved assistance program).
2. C-EAH assistance is NEVER forgiven and is repaid when: (1) employment with City of Cottonwood is separated within 10 (ten) year retention period, (2) home is sold, (3) home is refinanced for cash-out, or (4) home is not owner-occupied.
3. C-EAH is repaid based on an equity-share model. The borrower will pay back the greater of (1) the amount borrowed, or (2) a percentage of the sales price that is determined based on the amount of original assistance provided divided by the original purchase price of the home.

Contact Us

If you have questions, please give us a call or email Angela Koder, Housing Program Manager.

Phone

(928) 214-7456
711 (Relay service for hearing impaired)

Email

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Housing Solutions does not discriminate on the basis of race, color, religion, sex, national origin, handicap or familial status in employment or program services. Special accommodations will be made for the physically challenged, upon notification.

