

Sedona Employer Assisted Housing Program

Up to **\$40,000** in assistance available per household



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Program Overview

City of Sedona 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 4 to 1 match of homebuyer contribution; buyers can receive up to \$40,000 in assistance.

Assistance is provided in the form of a loan- secured with a promissory note and recorded deed of trust.

Eligibility

- To be eligible, at least one homebuyer per household must be employed, full-time (working, on average, at least 30 hours/week) and working on-site for the City of Sedona and meet the following employment guidelines:
 - Most recent performance evaluation demonstrates work performance meeting or exceeding expectations.
 - Not be on a performance work plan.
 - S-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 closing on their home purchase.
- Eligible Buyers must occupy the home purchased with S-EAH funds as their principal residence.
- Eligible buyers are one employee per household; if two City of Sedona employees purchase a home as co-borrowers, the maximum assistance they can receive is \$40,000.
- 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.
 - Although the Agency and the City of Sedona 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 Sedona 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.

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



Assistance Details

Amount of Assistance

- S-EAH funds are provided as matching funds, based on client contribution.
- Home price may not exceed 1.3 times the median home price for the area.
- 4 to 1 match in down payment/closing cost assistance. Up to \$10,000 of borrower funds can be matched with up to \$40,000 in S-EAH funding per household.
- Borrower funds must be sourced and documented. Borrower contribution may be a documented gift, as allowed by first mortgage lender.
- Housing Ratio must be between 25-35% of household's gross monthly income.
- Debt-to-Income maximum: 45% of household's gross monthly income
- Borrower must demonstrate need for assistance – liquid assets (not counting retirement) may not exceed 6 months' mortgage payment after closing.

Repayment of Assistance

- S-EAH assistance is a loan that is secured against the property in second position behind first mortgage (may subordinate behind another approved assistance program).
- S-EAH assistance is NEVER forgiven and is repaid when: (1) employment with City of Sedona is separated within 5 (five) year retention period, (2) home is sold, (3) home is refinanced for cash-out, or (4) home is not owner-occupied.
- S-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

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711 (Relay service for hearing impaired)

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