

STEP INTO HOMEOWNERSHIP!

The City of Phoenix Housing Department offers a fantastic opportunity for low-income families to buy their first home through the Section 32 Program. This program is offered to first-time homebuyers who are at or below 80% Area Median Income (AMI). The program provides a 20% discount on the appraised value through the City Investment Loan, a 10-year, no-interest, no-payment loan. Duirng this period, the home must be owned and occupied as your principal residence.

PROGRAM BENEFITS

- Designed for lower income families.
- No more landlords.
- No mortgage insurance.
- Possible grants for additional assistance.
- Can be layered with other homeownership down payment assistance programs.
- 20% off appraised value of home.
- Has an interest rate of 0% with no monthly principal payments.
- Is fully forgiven after 10 years.



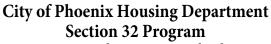


Section 32 Homeownership Program

KEYS TO OPPORTUNITY | STABILITY | FREEDOM

Eligibility Requirements for Section 32 Participants

- Be a first time homebuyer as defined by FHA.
- Annual household income does not exceed 80% of Area Median Income (AMI). *See chart below.*
- Have a minimum down payment of 3% of the purchase price
 - ➤ 1% must be from your funds
 - > 2% can be from grants, fits, or down payment assistance programs.
- Meet HUD affordability requirements (mortgage principal and interest, plus insurance, real estate taxes, utilities, maintenance, and other regular homeownership costs may not exceed 35% of adjusted gross family income).
- Qualify for a 15/30 year, fixed-rate conventional loan.
- Obtain a Pre-Qualification Form from a preferred lender.
- Have a record of timely payments of rent and utilities.
- Be able to provide a favorable recommendation from your current landlord.
- All family members/occupants over 18 must pass a criminal background check.
- Attend and complete required homeownership classes and pre-purchase counseling session.



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phoenix.gov/housing/homeownership





Your income cannot exceed this amount.

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Income Maximum
\$71,800
\$80,800
\$89,750
\$96,950
\$104,150
\$111,300
\$118,500
\$125,650
\$132,850

Effective April 1, 2025, U.S. Department of Housing and Urban Development.Subject to change when HUD publishes revised income limits.

