

## Teacher's aid

Program helps educators who want to buy a home

In metro Phoenix, teacher salaries haven't come close to keeping up with the area's rising home prices.

Arizona is among the lowest in the nation for teacher pay. Teachers are struggling to afford homes. Many who can buy have to purchase houses far from their schools.

In Maricopa County, there's help for teachers trying to buy.

The Home in Five Advantage program helps K-12 teachers with a 4 percent grant to help cover a down payment and closing costs, two big hurdles for first-time homebuyers.

Since late 2015, more than 430 Valley teachers have been able to buy by tapping the program, which is not funded by taxpayers.

Russell Arnold and his fiance, teacher Tamika Wilson, worked with Home in Five to buy a West Phoenix home last year.

"Being first-time homebuyers, we were worried about putting too little down and putting too much pressure on ourselves and our monthly budget," Arnold said. "This program allowed us to make a significant down payment."

Home in Five is for buyers earning less than \$93,000 a year and purchasing houses priced below \$372,000.

Teacher pay ranges in metro Phoenix. But in Arizona the median teacher pay is \$46,949, according to the Arizona School Boards Association.

The Valley's median home price, close to rebounding

to 2006 boom levels, is now about \$253,000. Home in Five recently raised its home price level max from \$300,000 due to rising prices.

"When we started the Home in Five Advantage Program in 2012, the housing market was in the early stages of recovery, and there were good deals to be had," said Shelby Scharbach, exec-



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utive director of the Maricopa County IDA.

That's when the Phoenix and Maricopa industrial development authorities teamed up to create a fund to help mostly first-time homebuyers get 30-year government-backed mortgages with up to 3 percent in grants for down payments and closing costs.

IDAs sell bonds to investors and lenders to fund the aid to homeowners. Teachers able to use the program have taken out government-backed mortgages for an average of \$188,000. The program's average loan is \$180,000.

"Homeownership gives individuals, families, and communities measurable financial and social benefits

The program was expanded a few years ago to offer teachers, police, firefighters and military personnel a higher grant. Now, borrowers from those groups can receive as much as \$7,200 in assistance.

That compares to \$5,400 for other borrowers tapping the program.

To receive the Home in Five buying help, borrowers need: ■ A minimum FICO score of 640.

■ A debt to income ratio up to 45 percent.

■ Complete a homebuyer education class.

■ Move into the home and make it their main residence within 60 days of closing.

More than 17,000 families have been able to buy homes via the program since it was launched. The Phoenix and Maricopa

—from the equity they build in their new home to improved educational futures for their children,” said Phoenix IDA CEO Juan Salgado.



**Russell Arnold and his fiancée, teacher Tamika Wilson, worked with Home in Five to buy a home in west Phoenix. RUSSELL ARNOLD/SPECIAL FOR THE REPUBLIC**