**FAIM Program**

**State Grant 2085 (enrolled in 2022)**

**Guidelines for Personal Vehicle Purchase**

**Prior to Purchase:**

* Applicant may not already own a reliable vehicle
* Minimum enrollment of 1 year + 1 day (from first deposit date)
* Successful completion of Financial Wellness Training – 12 hours, may include 1:1 coaching
* Successful completion of Car Care/Buying Class – 10 hours, may include 1:1 coaching
* Consistent deposits to FAIM savings account
* Coach to confirm that participant’s budget supports cost of vehicle ownership:
* Ability to pay vehicle insurance, gas, regular maintenance, repairs, tab renewal, driver’s license renewal, etc.
* Include items from “Edmunds True Cost to Own”.

**Eligible Use of Funds:**

* Purchase of a personal vehicle from a reputable dealership or private seller
* ***Vehicle purchase price (with taxes and fees) capped at $16,000 IF:***
* Participant has additional savings toward purchase or can secure a loan at/below 5% interest for remaining balance after FAIM funds have been applied.
* Can the participant’s budget support loan payments?

**FAIM Funds CANNOT be used for:**

* Vehicle purchased from an auction.
* Luxury, high-performance, or sport vehicle, motorhome/RV, semi, motorcycle, etc.
* Vehicle accessories or upgrades
* Vehicle insurance
* Vehicle repairs / maintenance
* Vehicle loan payments
* Fines/fees or cost to obtain MN driver’s license

**Required Documentation for Payout:**

* Copy of participant’s valid MN driver’s license
* Proof of participant’s valid vehicle insurance
* Kelly Blue Book (kbb.com) **or** NADA (nadaguides.com) value for the car being purchased.
	+ Purchase price must fall between retail and private party value of these guidelines.
* Vehicle inspection report – with passing grade from a reputable mechanic/garage.
* W9 from the dealership/seller
* Signed copy of Purchase Agreement (with description of vehicle and VIN)
* Copy required with payout request
* Another copy after purchase to show FAIM funds were applied to approved vehicle.
* Copy of the front and back of the title - and lien release (if applicable).
* Copy required with payout request
* Another copy after payout to verify transfer of ownership.
* **Vehicle title transfer must be in FAIM participant’s name only**.