

Dig into the Down Payment

If you're wondering how much you need to save for a down payment or struggling to save at all – you are not alone. Saving for a down payment is one of the biggest obstacles to buying a home. That's why you have so many options to help you overcome.

Types of Down Payment Assistance	Grants	Funds that you do not have to pay back if you own and occupy your home for a certain period of time.
	Second Mortgage Loans	Typically have low or zero interest rates and the payments are deferred for an initial period of time.
	Tax Credits	Some state and local governments, including housing finance agencies, issue mortgage credit certificates to reduce the amount of federal income tax you pay at tax time.

1 in 6 home buyers actually get down payment assistance from the home's seller!

Low Down Payment Options Today, saving for a 20% down payment may take 7 years or more. However, the average down payment on a house is only about 6% of the purchase price. What are you waiting for?	No Down Payment Home Loans	VA Loan — available to qualifying Veterans and active-duty military. USDA Loan — available in select Rural and Suburban areas.
	Low Down Payment Home Loans	FHA Loan — down payments ranging from 3.5% to 10%. Fannie Mae HomeReady — down payments as low as 3%. Freddie Mac Home Possible — down payments ranging from 3% to 5%.
	HomeFundIt™	Online down payment gifting platform where friends and family can contribute to your down payment using debit or credit cards.

How much is too much for your down payment? Even if you've saved enough for a 20% down payment – or more – you don't want to pour all your savings into your home purchase.

Don't forget these costs:

- ▶ Closing Costs – range from 2% to 5%.
- ▶ Homeowner's Insurance – varies depending on the type of home and location. Flood insurance is typically sold separately.
- ▶ Homeowner's Association Fees – not applicable in all situations.
- ▶ Home Maintenance – depending on the age of your home, there may be repairs or renovations to complete right away
- ▶ Unexpected Costs – owning your own home means you can't call the landlord anymore! Replacing the HVAC or plumbing can be expensive!

Conventional Payment example: If you choose a \$250,000, 30 year loan at a fixed rate of 3.3% (APR 3.5%), with a loan-to-value of 80%, you would make 360 payments of \$1,122.61. Payment stated does not include taxes and insurance, which will result in a higher payment.