

POPULAR MORTGAGE OPTIONS

for First Time Homebuyers



Presented by

FHA

The Federal Housing Administration (FHA) works with lenders to insure home loans for first-time buyers. Benefits include down payments as low as 3.5%, less stringent credit requirements and lower closing costs.

FHA 203K

The "fixer-upper" loan. This FHA program is designed for buyers who want to buy a home in need of major repairs that would disqualify it from a standard FHA loan.

VA

VA home loans are for service members, veterans and surviving spouses that are partially backed by the Veterans Administration. Benefits may include: no down payment, low interest rate, and no mortgage insurance.

USDA

The U.S. Department of Agriculture will back 90% of a loan so that lenders are willing to offer financing to low and middle income borrowers in rural areas. Eligible borrowers can build new homes or purchase older homes in USDA approved areas.

HUD GOOD NEIGHBOR

The Good Neighbor Next Door Program is for buyers who work in law enforcement, as K-12 teachers, EMTs or are firefighters. Eligible buyers may receive up to 50% off the list price of HUD homes in revitalization areas.

HOME READY MORTGAGE™

The HomeReady™ mortgage program by Fannie Mae (more on that below) offers benefits to eligible buyers who purchase HomePath® properties including low down payments, flexible underwriting terms and more.

What is

FANNIE MAE & FREDDIE MAC?

Fannie Mae and Freddie Mac are informal "names" for the Federal National Mortgage Association and Federal Home Loan Mortgage Corporation. These government sponsored enterprises are owned by investors and were created by Congress decades ago. After you close on a home, Fannie or Freddie buy your mortgage from the bank. Doing this frees up the lender's assets so they can continuously offer new home loans to new buyers.