

# **Four Simple Options Helps Mesa Families Buy Homes With No Money Down**

## **Even If They Could Afford To Pay It**

**Mesa, Arizona**-Even though home ownership in Arizona is rising, there are many people who never buy the home of their dreams simply because they don't think they have enough money for the down payment. They've been told through the years that they need 10 or 20 percent of the purchase price in order to buy a home. Well, this simply isn't true.

So why have so many real estate companies told them this?

Quite honestly, it's because selling homes to people with 10 or 20 percent down is easier than selling homes to people who have little or no money for a down payment. Most real estate sales people would rather go after the "easy sale" than try to help people who have special needs.

Here are four great options that have helped growing families with special needs and don't have much money for a down payment.

### **Option 1: 103% Loan With No Down Payment, Little or No Closing Costs.**

This is for families with good income (\$45k or more). Average credit. It's helpful for those who have little or no savings for a down payment and closing costs. If this describes your situation then this program probably may be for you.

### **Option 2: 100% No Down Payment Programs.**

These programs require you as the buyer to pay ordinary closing costs. Most people who fit these programs have decent income (\$38k or more). Fair Credit and 3% cash required to cover closing costs. This loan is designed for people who have some money for closing costs but requires lower credit scores than the 103% financing option.

### **Option 3: Non-Profit Assistance Programs.**

These are the first time homebuyer loan programs that you may have heard about. There are a few excellent non-profit loan programs, like the city of Tempe's, that provide down payment assistance in the form of either grants or loans. There are restrictions as to maximum household income, price of the home you are buying and geographical areas. The family income must be in line with program guidelines. Many people who fit this program have average to rebuilding credit. Between 1 and 3% of loan amount may be required for down payment and closing costs. Call your cities housing and urban development office to find out more information on these programs.

### **Option 4: Seller Pays Your Closing Costs.**

While this isn't a loan program this is an option written in the purchase contract. A buyer would typically have fair income (\$30k or more) and may have money for a down payment, but not closing costs.

### **Option 5: FHA Loans**

Although this isn't a "No Money Down" option, yet; the FHA loan is by far one of the best alternatives for people who want to buy a home and don't have much money to put down. With an FHA loan, you could put down as little as 3%. Plus, FHA loans are easier to qualify for those who want a home below \$160K. While you can't "borrow" 3% for a down payment, you can get a "gift" from a family member, borrow from your 401k, or sell some "stuff" you have lying around.

Now you have 5 good options for buying a home for little or no money down. With each of these 5, just like snowflakes, there are many variations of loan programs for the growing Arizona family. There are always options, its just having the ability to find which one works best for your situation.

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