



NC Housing giving you the down payment to buy a house!

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The real estate market has begun to pick up. There are still many folks that don't want to sell their existing home and instead want to keep the home, rent it out and buy another home. Programs have always been available for first time home buyers. This new down payment assistance program is not only for first time buyers but also for repeat homebuyers. It is an incredible program where you can actually own another property and still qualify to get the 3% down payment for your home purchase!

How do you qualify?

The person that applies for the loan needs to make a maximum salary of \$85,000. The household income can be more than \$85K but whoever applies for the loan is limited to \$85K for their individual income. You also need to have a minimum of a 640 credit score. In this market, it is advisable to get formally preapproved. With this particular program, it is essential that you get approved with your local mortgage professional. Not all mortgage professionals participate in this program so make sure that they are offering this down payment assistance program before consulting with them. I highly suggest meeting with your lender in person rather than doing an online application and only getting a prequalification. With the market picking up, a real preapproval could win you the house over other offers on the property. Nowadays there are more and more multiple offer situations. If there is something that you can do to improve your scenario before buying, getting preapproved allows you a better chance of buying a property before you actually find it. Housing inventories are down so it is more important to be able to close on the house you find and love.

What's the catch?

“Am I going to get my 3% down payment for free? What are the penalties I have to pay on this program? “

There are actually no recapture taxes or penalties on this program. This program is for primary residences only, not rental property. The 3% down payment will have to be paid back only if you sell the house within 15 years of owning it. However, there is no interest and no monthly payments on the money. If you retain ownership for 15 years, this subsidy is actually forgiven. Beginning with year eleven, 20% of the down payment you received is forgiven, each year after that, an additional 20% will be forgiven. Once you hit the 15 year mark all of the down payment is forgiven and you do not have to pay back anything. There are no sales price or geographic limits. This is one of the hottest, best programs that have become available in RTP in the last 5 or 6 years. Remember, stricter guidelines have been applied; getting preapproved is essential. Feel free to contact amy@amybonis.com with questions. Good luck!