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FHA Mortgage Down Payment Help from the Nehemiah Program

Buying a home is a costly and serious purchase, and it can be very daunting for those with low or medium income. Fortunately, if you fall into those categories, there are government programs available, like the FHA mortgage, that can help you become a homeowner.

If you are planning on using an FHA mortgage to finance your next home purchase, there are several requirements you will have to meet. These include having a steady income, a debt-to-income ratio of 29/41 or less, a good credit score and a down payment contribution of at least 3% of the total money borrowed. If you are buying a \$100,000 home, that means you will have to pay \$3000 dollars, but if you are buying in a pricier area you may find yourself faced with a down payment two or three times that amount.

Luckily, there are several non-profit organizations that provide down payment gift assistance for qualified borrowers. One of these great companies is the Nehemiah Corporation. According to the company website, the Nehemiah Corp. is "the largest privately funded down payment assistance program." The Nehemiah down payment gift program has been around since 1997, and it has helped over 210,000 families get into homes. The program has generated over \$865 million in down payments funds.

As a borrower, they will gift you up to the full amount of your required FHA mortgage down payment (up to 6% with other loan programs) without requiring any repayment. The great thing is that if you qualify for an FHA mortgage you probably already meet the Nehemiah requirements. You can be buying for the first time or the fiftieth time. You can purchase any type of home, whether it is a condo, townhouse or single-family dwelling, a new home being constructed or an existing home. There are no income limitations, nor location restrictions. You can get Nehemiah down payment help in every single state and Puerto Rico.

The only catch is that you have to work with a Personal Care Counselor on the Nehemiah staff to evaluate your financial situation, create a plan for eliminating debt, and a plan for living on a balanced budget. When you call in for down payment assistance, you will talk with your Counselor and he or she will set you up with credit counseling and debt management education sessions. Nehemiah Corp. works with over 50,000 creditors nationwide and can help you develop repayment plan schedules with your creditors to make your payments more affordable. Nehemiah can even allow you to make one monthly payment that they will split up among the various creditors. This can help you pay off your debts more effectively as you only have one simple payment to make every month.

After you have completed your financial education with a Personal Care Counselor, you will be qualified to receive your down payment gift. When you have made an accepted offer on a home, and have selected a participating lender and seller, Nehemiah will deposit your gift funds in the title or escrow account handling your purchase. Those funds can be used for either a down payment or closing costs, helping you avoid too many out-of-pocket expenses.

If you are in the market for an FHA mortgage loan, look into the Nehemiah Program to get assistance in paying the necessary fees. For so little effort and requirements, there is hardly a better down payment gift program out there.