



LM Federal Credit Union

Aaron Welch, RFC
Financial Advisor
1200 E Joppa Road, Suite G
Towson, MD 21286
667-308-2724
awelch@moneyconcepts.com



**Wealth Management &
Financial Planning Services**

I'm a first-time homebuyer, and I don't have a lot of cash to put down on a house. What type of mortgage would be best for me?

I'm a first-time homebuyer, without a lot of cash to put down. What type of mortgage would be best?

Answer:

If you are a first-time homebuyer and don't have a lot of money for a down payment on a home, you may want to consider obtaining a mortgage through a government mortgage lending program such as those offered through the Federal Housing Administration (FHA) and the Department of Veterans Affairs, formerly known as the Veterans Administration (VA). Generally, these types of mortgage programs are an excellent choice for first-time homebuyers with moderate incomes, because the interest rates are set below current rates and little or no down payment is required. Consult your mortgage lender to see if you are eligible for either an FHA or VA mortgage.

In addition to government mortgage lending programs, many mortgage lenders offer special programs for first-time homebuyers that require little or no down payment. Shop around and compare the mortgage rates and terms that various lenders offer to find a mortgage that is geared toward first-time homebuyers.

Another option for individuals who have little or no down payment for a home is a rent with option to buy arrangement. A rent with option to buy arrangement allows you to rent a home for a certain period of time (usually three years) while you accumulate a down payment. At the end of the lease term, you have the option to purchase the home for a specified price. While you rent the home, part of each rent payment is credited toward the purchase price of the house, in effect creating a down payment.

All Securities Through Money Concepts Capital Corp., Member FINRA / SIPC
11440 North Jog Road, Palm Beach Gardens, FL 33418 Phone: 561.472.2000
Copyright 2018 Money Concepts International Inc.

Investments are not FDIC or NCUA Insured
May Lose Value - No Bank or Credit Union Guarantee



LM Federal Credit Union
Aaron Welch, RFC
Financial Advisor
1200 E Joppa Road, Suite G
Towson, MD 21286
667-308-2724
awelch@moneyconcepts.com