

Title:

Getting Down Payment Help From The Government

Word Count:

353

Summary:

A large hurdle you must overcome to purchase a house is the down payment. Fortunately, you can get down payment help from the government for your dream home.

Keywords:

hud, government, down payment, downpayment, help, buying, real estate, home, house

Article Body:

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Getting Down Payment Help From The Government

When it comes to buying a house, the government can actually help. No, really.

HUD stands for the United States Department of Housing and Urban Development. With such a name, you can see why everyone just calls it HUD. The department's stated mission is to pursue initiatives that make home ownership available to as many Americans as possible. HUD does this through making guarantees on home loans and other initiatives. A common misconception about HUD is that it actually issues mortgages to borrowers. It does not. Before you get too disappointed, HUD does offer initiatives in the housing down payment area.

In December of 2003, HUD started an initiative known as the American Dream Downpayment Initiative. Yes, they actually spelled downpayment as one word, but who is going to complain about such help? The initiative is part of the American Dream Downpayment Assistance Act passed in 2003, which provides \$200 million dollars in down payment assistance. Talk about putting your money where your mouth is!

The goal of the initiative is the same as all HUD programs, to wit, to increase homeownership by helping people with the hurdle of down payments. The initiative

is available only to first time buyers and is focused on revitalizing neighborhoods, giving minorities a leg up as well as lower income individuals. With the skyrocketing real estate prices of the last seven years, the initiative represents a breath of fresh air.

Under the initiative, HUD will provide assistance with down payment and closing costs. The help is capped at \$10,000 or six percent of the purchase price, whichever is greater. Put another way, this is not some token assistance program. \$10,000 or six percent is nothing to sneeze at. What do you know, a government program that actually helps people.

In truth, HUD is one of those rare government agencies that does a great job. To find out more about the American Dream Downpayment Initiative, contact HUD.