

Financing Tips

or

Helping your potential buyer purchase your house.

First, let me start off by saying, you don't have to know how to help your potential buyer get financing on your house. However, if you do know, it can insure that the deal will go through and your house will be sold.

There are many ways you can help your potential buyer purchase your house. Some are very simple and some take a little more planning. You're probably saying to yourself, "Why do I want to help someone with the financing to buy my house?" The answer is very simple. It's done every day in the real estate market. If you help the buyer buy the house, you will be sure it closes and the deal is done. If you aren't willing to help the buyer, another seller just might be very willing.

Neighborhood Gold Program:

This is a program setup by a non-profit corporation to help buyers with their down payment and closing cost. You can get all the information about this program at their Web site:

www.neighborhoodgold.com

NOTE: This Corporation is located in Utah and by using them you are also helping the local economy.

Nehemiah Program:

This is another program setup by a non-profit corporation to help buyers with their down payment and closing costs. You can get all the information about this program at their Web site:

www.nehemiahprogram.org

Seller Financing:

This is a where you are the lender. You don't have to lend the whole amount of the purchase price you might just lend the money for the down payment and closing costs. You would agree to lend the buyer the money for the down payment and closing costs out of the proceeds from the sale. This would do two things for you. One, you would get back more money than you lent the buyer, because of interest. Two, you would still have an interest in the home and could foreclose on the home if your payments were not received on time. You could also structure the loan for a short period of time, like one year or so. Just enough time for the buyer to either save up the money to repay you, or to refinance the home and repay you.

Remember, you could finance the entire purchase price of the home and receive about triple the amount you are asking for the house over the length of the loan. How? You would be getting all that interest that the mortgage company usually gets. As an example, if you sold a \$100,000.00 home at 9% interest for 30 years, you would receive \$255,00.00 in interest on the loan. So if the loan matured and went for the full 30 years, you would have received approximately \$355,000.00 for your \$100,000.00 house.

Those are just a few ways you can help your buyer. There are a lot more and a good loan officer can help you find out which is best for you.

NOTE: *These examples are for information only. You should contact a professional mortgage lender to get all the details on these or any other program you may want to use to help your potential buyer.*