



Down Payment and Closing Cost Assistance

When you buy a home, most of the cost is financed as part of your mortgage. But there are two upfront expenses you'll need to be aware of: the down payment and closing costs. Fortunately, there are several ways to cover these expenses without using your own savings.

What's the difference?



The down payment is the initial amount that you'll pay on a property. It's a percentage of the home's purchase price and can be as little as 3%.



Closing costs refer to a variety of fees and payments that are associated with processing and finalizing your home loan, such as record-keeping, paperwork filing, an appraisal, property taxes, and more.

Assistance is available

Sources that can help you cover the down payment and closing costs include:

- **A gift from your family**, including anyone you're related to by blood, marriage, adoption, or legal guardianship (e.g., a spouse, fiancé, fiancée, domestic partner, or children or other dependents).
- **A grant from a business or nonprofit**, such as a church, employer(s), municipalities, nonprofit organizations, public agencies, or a Native American tribe. Your lender might be able to help you identify other resources.
- **A small loan, which may let you defer payments** (allowing you to pay it back later) or may be forgivable (meaning you won't have to pay the money back if you meet specific requirements).

Work with your lender to understand the pros and cons of all your options and find the solution that works best for you. Visit DownPaymentResource.com to find programs that may be available to you.