



## *Frequently Asked Questions*

**Q. How does your Homebuyer Program work?**

**A.** We are a housing agency that works with prospective homebuyers in many ways. We have several different programs available depending on each consumer's situation. We help consumers with down payment, closing costs, and property rehabilitation through the use of low interest loans and/or second mortgages.

**Q. Does NeighborWorks® Lincoln work only with low-income households?**

**A.** No. NeighborWorks® Lincoln works with people of all income levels.

**Q. Do I have to attend your Homebuyer Education classes to use your programs?**

**A.** Yes. Every adult member of your household, related or not, must attend all 12 hours of Homebuyer Education classed to use our programs. Our Homebuyer Education program is designed to teach you what you need to know to purchase a home and to help you become a more informed consumer before you buy.

**Q. Do I have to buy a house in a certain area?**

**A.** NeighborWorks® Lincoln's only geographic limitation is that the home purchased must be within the Lincoln city limits. The specific neighborhood in which you purchase may depend on your financial capability and what program you use.

**Q. How much down payment will I need?**

**A.** Our programs require a consumer invests \$1,000 of their own money into their purchase transaction.

**Q. How much house will I be able to afford?**

**A.** The cost of the house you can buy will depend on your income as well as the amount of monthly debt you have. Your income is the gross total from all sources. Examples include: wages, alimony, childcare, disability, IRA, etc.

**Q. If I have already signed a purchase agreement, can I use any of your programs?**

**A.** No. You must take our Homebuyer Education classes prior to signing a purchase agreement or other contract for a particular home in order to qualify for NeighborWorks® Lincoln's programs.

**Q. What is the least amount I would have to pay for a house payment through your program?**

**A.** The house payment that consumers using our programs make includes principal, interest, taxes, and insurance. House payments are generally at least \$500 per month, which requires a minimum of \$1,700 per month gross income.

**Q. Do you have any programs that help low income people make their house payments?**

**A.** No. Our programs help consumers get into affordable homes. The consumer must have financial capacity to make the monthly payments.

**Q. Do your programs work with land contracts or owner financing transactions?**

**A.** No.

**Q. What is Homebuyer Education?**

**A.** NeighborWorks®Lincoln Homebuyer Education classes encourage group interaction and hands-on experiences. Housing Specialists will discuss the homebuying process, answer your questions, and provide helpful learning materials as you prepare to become a homeowner. There is no cost or obligation for these classes.

**Q. What is covered in the Homebuyer Education classes?**

**A.** Class topics include:

- Budgeting and handling credit
- Evaluating homes and what you can afford
- Working with realtors and neighborhood contacts
- Understanding financial paperwork, closing costs, and the amount of money needed
- Learning the rights and responsibilities of homeownership.

**Q. When is the Homebuyer Education offered and how can I sign up?**

**A.** Homebuyer Education is a 12 hour course consisting of four three-hour evening sessions offered monthly at the NeighborWorks®Lincoln office. Classes are also offered in Spanish, Vietnamese, and Russian. Other languages are accommodated on a case by case basis. If you are interested in taking the classes, mail in your application form as soon as possible. After your application has been received, you will be contacted by mail within 2-4 weeks with information about reserving space in the next available class. Classes are filled on a first-come, first-serve basis.

