What real estate agents should know about zero-down loans

No longer do you have to be a qualified veteran or live in a rural area to get a mortgage without putting down a penny. For nearly a decade, only buyers who qualify for VA or USDA Rural Development mortgages have been able to buy a home with zero down. In recent years, several large credit unions have launched zero-down mortgage products for their members. Now, within the past year, several commercial lenders have introduced mortgages that require only 1 percent down -- or nothing at all. This raises memories of “no down” loans. Are these new offerings a good idea for first-time buyers, or are they a marketing ploy by lenders who want to break through the clutter and attract applications from borrowers who will end up with less risky mortgages? Super low down loans aren’t for everyone In fact, many first-timers won’t be able to meet the debt and credit requirements. Even those who qualify may not want to pay the higher interest rates. Others will discover that the co...

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