



# Hints For Home Buyers

## Debunking The Five Myths That Deter Homeownership

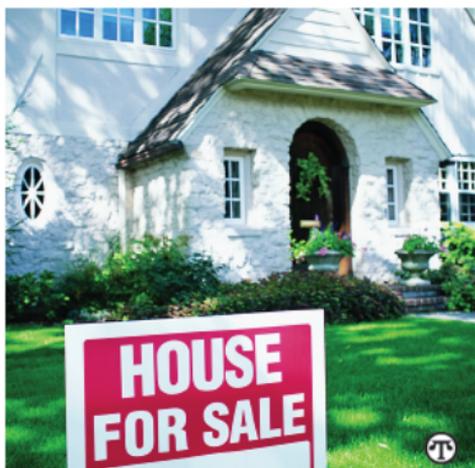
(NAPS)—Buying a home can seem daunting, especially for first-time homebuyers facing record housing prices, tight supply, and rising interest rates. Quite often, misconceptions about homeownership discourage prospective buyers from starting a search even before it begins.

The good news is homeownership can be much closer than you think. Lisa Frison, Head of Financial Inclusion and Racial Equity at Citi, recalls that growing up her parents rented their home for years before eventually becoming first-time homebuyers. “Even so, I found myself struggling to understand what I needed to do and what resources were available to me when I was ready to buy my first home nearly a decade later,” she says. Here Frison debunks these Top 5 Myths to help you get on track to building generational wealth through homeownership.

**1. I Don't Have Credit (a FICO Score).** Nearly 11% of Americans (50 million people) are “credit invisible,” according to the Office of the Comptroller of the Currency, meaning they have no or limited credit history. This disproportionately affects diverse and underserved communities. To help, Citi's HomeRun mortgage program offers non-traditional ways to demonstrate credit readiness, such as providing proof of paying rent, utilities or other monthly payments.

**2. I Don't Have Enough Money Saved.** You may have more money than you think. Many banks offer programs for new homebuyers that do not require mortgage insurance for those qualifying. Also, HomeRun has some mortgages for as little as 3% down, with a minimum 1% borrower contribution. This, along with the bank's Lender Paid Assistance, which provides up to \$7,500 closing cost funds that do not need to be paid back, saves qualifying borrowers thousands of dollars in closing costs, helping them afford more house. These programs are offered only in select markets and have income limitations.

**3. I Should Start House Hunting with a Realtor.** It seems logical to begin



**The dream of owning your own home may be easier to achieve than you realize.**

with a real estate agent but your best bet may be to start with your lender, who can explore homebuyer assistance programs with you and give you a realistic view of what you can afford through a pre-qualification or pre-approval. A real estate agent will then narrow the search to help you find the right home for you and your budget.

**4. I Earn Too Much to Qualify for Assistance.** Lender assistance programs may be more expansive than you think, especially in response to inflation and rising home prices. For example, Citi has increased lending assistance to borrowers with income up to 120% of median income—up from 80% of the median local income. The bank's loan officers can tell customers where their income is relative to the local median family income and also whether a property is located in an eligible census tract.

**5. I Should Keep Renting Because I Missed the Market and Now I'm Priced Out.** First-time or affordable homebuyer programs can help you get on the path to buying a home you can afford. Remember, a home is more than a place to live and build memories—it is a way to build wealth that you can pass on to future generations. That's something you can't achieve by renting.

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