

## New lending guidelines open door to Fresno homebuyers

By BoNhia  
Lee

The Fresno Bee December 9, 2014



Michael Herbert of Keller Williams Realty, left, waits as Crystal Neal from O'Neals, Calif. views a home for sale on behalf of her adult son on June 29, 2013 in Clovis.

ERIC PAUL ZAMORA — Fresno Bee Staff Photo [Buy Photo](#)

- Community Housing Council of Fresno

2560 W. Shaw Lane, Suite 101, Fresno

(559) 221-6919

[www.chcfresno.org](http://www.chcfresno.org)

New lending guidelines adopted by mortgage giants Freddie Mac and Fannie Mae on Monday will allow more people nationwide and in Fresno to buy homes.

The move is a way to help low-income and first-time homebuyers get into the homeownership game with a small downpayment of only 3% compared to a minimum of 5%.

Many first-time homebuyers typically purchase a loan through the Federal Housing Administration which only requires a 3.5% downpayment.

“Anytime there is a program that allows somebody to buy a home with only 3% down, it encourages more people to see if they qualify and eventually buy,” said John Shore, executive director of the [Community Housing Council](#).

The Fresno nonprofit helps first-time homebuyers and homeowners recovering from foreclosure get into the housing market.

One of the positive things about the change is that it requires one of the buyers to participate in a first-time homebuyer education program, said Shore, who is a supporter of mandated homebuyer education.

There are concerns, however. The change creates competition that could put a dent in the FHA business, Shore said. But at the same time, qualifying for a Freddie or Fannie loan could be tough. Even though the downpayment is less, there may still be more people who qualify under FHA guidelines, he said.

“The underlying factor here,” Shore said, “is that it’s going to spur people to look into homeownership even if they qualified before and are sitting on the fence because now they know there is one more avenue available to them.”

## **Join The Conversation**

[Copyright](#)

© 2014 [www.fresnobee.com](http://www.fresnobee.com) and wire service sources. All Rights Reserved. <http://www.fresnobee.com>