Local non-profit shares financial resources for homebuyers in education courses

By Isabel Dobrin

Many people who participate in educational programs related to housing purchases don’t know about the number of state resources available to them throughout the home purchasing process, said the director of a local financial education organization.

Many participants in Credit Counseling of Arkansas’s homebuyers course don’t know that there are programs to help with down payments or closing costs in the state of Arkansas, said Bill Robertson, the operations director for the organization.

CCOA, a non-profit with locations in Fayetteville, Bentonville and Fort Smith, offers a four and a half hour course once a month to explain the homebuying process and educate community members about accessible resources.

“(We’re) just giving them that knowledge they need when they sit down with a realtor, lender, or insurance agent, or home inspector,” Robertson said. “They know what questions to ask and they know what their options are and they're a little bit better prepared to make those decisions without getting really emotional.”

The next course will be from 9 a.m. to 1:30 p.m. Saturday, Dec. 3 at the United Bank Building in Springdale. The course will cover various parts of the home purchasing process, including budgeting, meeting with home-loan lenders and realtors, exploring loan program and closing and insuring homes.

An Arvest lender will speak to course participants throughout the day as well as answer questions about the lending process, Robertson said. Arvest, which issued more than 7,000 mortgages and almost $1.4 million in home loans in 2012, is the largest lender in Northwest Arkansas.

Robertson, who helps facilitates the course, explores homebuying resources available through The Arkansas Development Finance Authority. For example, the ADFA offers low interest rates at 2.5 percent on mortgages for first-time homebuyers. ADFA also offers a program geared toward lower-income buyers that waves the loan repayment on a second mortgage if the resident stays in the home for five years.

Robertson also explains the requirements needed for homebuyers to qualify.

“We talk about income limits, that type of thing, but you also have to use a participating lender, and not all lenders participate in those programs,” Robertson said. “A lot do, it’s not like there’s only three out there that do, but they have to know going in that if (they) want to use one of these (they) have to use a participating lender. That’s some good information that we give them.”

Robertson also covers private mortgage insurance, which most people don’t understand, he said.

“They’re gonna pay that for the life of their loan, generally, if they don’t have 20 percent down payment, which most people don’t,” he said. “Especially first time home buyers, that’s just not normal to have 20 percent down. So they’re gonna pay that, and they have to factor that in when they’re calculating what they can afford for a house.”