

Bay East Consumer Guide

Helping Family Members Become Homeowners

Financial support can open the door to homeownership, but a clear plan matters.



There Are Many Ways to Help

Family support can take different forms, including:

- ✓ Gifting funds for a down payment
- ✓ Helping with earnest money or closing costs
- ✓ Covering inspection or other transaction costs
- ✓ Cosigning on a loan
- ✓ Buying the home outright



Plan for More Than the Down Payment

Homeownership comes with upfront and ongoing expenses.

- Closing and moving costs
- Homeowners and possibly flood insurance
- Property taxes and HOA dues
- Utilities, repairs, and furnishings
- PMI, when applicable
- Savings for unexpected expenses



"Helping someone buy a home starts with a plan everyone understands."



Gift or Loan? Know the Difference

Be clear about how the money will be provided.

If it's a gift: The buyer may need to document where the funds came from with a gift letter and bank statements.

If it's a loan: The lender may consider that debt when determining the buyer's eligibility.



Set Expectations Before You Help

Have an open conversation before making a financial commitment.

- Is your family member financially ready for homeownership?
- Can you help without jeopardizing your own savings or retirement?
- Do you expect any involvement in the homebuying decision?
- Have you discussed everyone's responsibilities?
- Are there tax, credit, or legal implications to consider?



We're Here to Help

A Bay East REALTOR® can help you:

- ✓ Understand the homebuying process
- ✓ Identify homes that fit the buyer's needs
- ✓ Coordinate with the buyer's lender and pros.