

THE MICHAEL O'NEAL GROUP · KELLER WILLIAMS REALTY NORTHEAST

The Houston Homebuyer's *NACA Preparation Guide*

The NACA homebuyer program explained: what it offers, what it asks of you, the documents and cash to prepare, and how to work with an agent in Greater Houston.

Independent educational resource, not operated, sponsored or endorsed by NACA. NACA determines program eligibility and mortgage qualification. Facts checked against NACA's public pages, November 2026. Program terms change; confirm with NACA.

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A counseling program with one mortgage

The Neighborhood Assistance Corporation of America (NACA) is a nonprofit housing counseling organization. Its purchase program combines free housing counseling with a single fixed-rate mortgage. Membership is required for the mortgage.

No down payment

NACA says its mortgages are 100% of value. No down payment doesn't mean no cash: see page 6.

No PMI

Members don't pay private mortgage insurance. NACA records a $25,000 soft-second lien tied to its occupancy rule.

No closing costs to you

NACA says the lender pays closing costs, including appraisal and title, and doesn't add them to the loan.

No credit-score minimum

NACA reviews payment history, income, debts and savings instead of a score.

Fixed rate

15, 20 or 30 years, always fixed. On Nov. 5, 2026 NACA's home page listed 6.25% for 30 years; rates change and can differ by income group.

Counseling

NACA says its counselors are HUD-certified. The workshop and basic counseling are free.

Sources: naca.com/purchase-product · Mortgage FAQ · Counseling department

Who the program can fit

It can fit buyers who

- [ ] Will live in the home as their only, primary residence for as long as they have the NACA mortgage
- [ ] Can document income, debts and savings
- [ ] Will complete the workshop, counseling and a participation pledge (five activities a year)
- [ ] Accept the affordable payment NACA sets with them

It doesn't fit

- [ ] Investment properties or second homes
- [ ] Households where anyone 21 or older who will live there still owns another property at closing
- [ ] Prices plus repairs above NACA's loan limit or the approved payment (you can't bring cash to get over the limit)

Where you can buy

NACA says **priority members**, with income at or under the metro area's median family income, can buy anywhere in the metro area. **Non-priority members** can buy only in census tracts at or under the median. NACA's status is set by NACA; neighborhoods and ZIP codes are not "NACA-eligible" as a whole. Check addresses with NACA's ZIP tool and the FFIEC geocoder.

For context only: HUD's FY 2025 median family income for the Houston-The Woodlands-Sugar Land HUD Metro FMR Area was $101,100. That's HUD's figure, not NACA's line.

Sources: Eligibility FAQ · Area eligibility · Loan limits

Ten steps to the keys

01 Explore the program

02 Attend a free NACA workshop

03 Create a NACA member account

04 Meet with a NACA counselor

05 Complete financial and documentation requirements

06 Receive NACA qualification

07 Attend the required purchase workshop

08 Search for homes with your agent

09 Complete property and lender requirements

10 Close and receive the keys

Register for a workshop

The free homebuyer workshop is about four hours, in person or self-paced online. Sign up at NACA's workshop page. No financial documents needed.

Want your own agent? NACA says the agent must register in its Real Estate Agent Portal and upload your buyer representation agreement **before** you attend the workshop, so NACA can refer you back to that agent when you're qualified.

Milestones

Many active members are NACA Qualified in about three months, per NACA; it shouldn't take more than six without complications such as a recent foreclosure or liens. Then the purchase workshop and the search. NACA targets about 35 days from contract to closing without major repairs, 45 to 60 days with them.

Sources: Purchase steps · Qualification FAQ · Real Estate FAQ

Gather these before intake

Documents NACA lists

- [ ] Pay stubs for the last 30 days
- [ ] Federal tax returns, last two years
- [ ] W-2s, last two years
- [ ] Bank statements, last three months, every account
- [ ] Self-employed: last 12 months of bank statements
- [ ] Photo ID for each person signing for a credit report
- [ ] A cellphone for the member portal’s security code

Financial-readiness checklist

- [ ] Write a monthly budget: income, housing, debts
- [ ] Keep every payment you control on time; NACA says rent matters most
- [ ] List liens, charge-offs and collections
- [ ] Get your free credit reports and note errors
- [ ] Start saving for the cash on page 6
- [ ] Don’t sign a purchase contract before NACA qualification
- [ ] Never send SSNs, credit reports or statements to anyone but NACA’s own portal

Source: Qualification FAQ

Plan the money, not just the mortgage

Monthly budget

Take-home pay (all earners)	
Rent or current housing	
Utilities	
Car payments	
Car insurance and gas	
Credit cards (minimums)	
Student loans	
Other debts	
Groceries	
Child care	
Phone and internet	
Savings	
Everything else	
Left over	

Cash NACA says you still need

Earnest money (returned at closing)	
Home inspection	
Prepaid homeowners insurance	
Prepaid property taxes (escrow)	
Reserves: 1 month of payment if it rises under $300, 2 months if more (4 to 6 for multi-family)	
NACA membership ($36 a year per household on NACA's eligibility FAQ)	
Total to plan for	

NACA also describes a nominal credit-report fee, refunded at closing; the amount isn't published. The process isn't free from start to finish.

Sources: Mortgage FAQ · Fees FAQ

Quick answers

Do I need a credit score?

No minimum. NACA reviews payment history, income, debts and savings.

Is NACA free?

Not entirely: membership, cash for closing items and your time are required.

Can I use my own agent?

Yes. The agent registers in NACA's portal and uploads your agreement before your workshop.

Can I buy an investment property?

No. It must be your primary residence.

Do I need money for an inspection?

Yes, and the inspection contingency can't be waived.

What about repairs?

Required repairs can be financed in a repair escrow and done after closing, within NACA's limits.

How long does it take?

About three months to qualification for many active members, then the search.

Can I buy in Kingwood or Atascocita?

It depends on your NACA status and the address's census tract. Ask NACA.

NACA's Houston office

14425 Torrey Chase Blvd, Suite 200, Houston, TX 77014 · 713-706-3400. Member services 425-602-6222. Remote video counseling is available. naca.com/offices

NACA handles the mortgage. *We handle the house.*

- [ ] Exploring Houston neighborhoods within your approved payment
- [ ] Finding homes and scheduling showings
- [ ] Researching property taxes, HOA and ownership costs
- [ ] Negotiating offers
- [ ] Coordinating inspections and repair requests
- [ ] Keeping contract-to-closing deadlines on track

Talk to us before your workshop

If you want our team as your agent, tell us before you register so your agent can complete NACA's portal steps first, with your permission. We never sign you up with NACA for you.

832-797-3780

Call or text Michael O'Neal · themichaelonealgroup.com/naca

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