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## *Mortgage With 0% Down? Ask NASA*

BY NICK TIMIRAOS

No-money-down mortgages are coming back, but it may take a rocket scientist to get one.

The NASA Federal Credit Union earlier this month launched a special promotion that allows borrowers to take out mortgages without making a down payment when purchasing a primary residence costing up to \$650,000, or by putting just 5% down on a loan up to \$850,000.

The credit union, which includes employees and retirees of the National Aeronautics and Space Administration, said the deal applies only in Maryland, Virginia and Washington, D.C., a region that has seen the housing market recover faster than the rest of the nation.

The Federal Housing Administration guarantees loans with 3.5% down payments, but most private lenders stopped making loans as the housing boom turned to bust.

Credit-union officials said they saw an opportunity to drum up business and that the offer would expire once the credit union has reached a pre-determined volume ceiling. The offer isn't limited to members of the NASA credit union.

Bill White, the credit union's head of mortgage lending, said the business was compensating for the low down-payment rules by offering the products to "highly qualified" borrowers, with strict underwriting standards and heavily scrutinized appraisals. So far, the "loan quality is even higher than we expected," Mr. White said.

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