



Before borrowing from a retirement fund, home buyers should know there are a number of federal, state and local programs that can help reduce closing costs. (GETTY IMAGES)

Rob Werner, president and CEO of Ardent Credit Union, estimates that about 10 percent of mortgage applications coming through his institution include some retirement funds to cover closing costs. In many cases, money from an individual retirement account or 401(k) is only for a portion of the down payment instead of the whole amount.

Experts are divided over whether this is a smart financial move. Some financial advisors say workers should keep their hands off retirement funds, no matter what. Others argue there are times when it makes sense to [dip into a retirement account](#) for a home purchase. As with so many financial questions, there is no one answer that will satisfy

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