

**3 WINNING STEPS TO ACCESS COLORADO'S DOWN PAYMENT ASSISTANCE  
PROGRAM FOR HOME PURCHASE AND REFINANCE LOANS**



1. Get Pre-Approved for a Home Loan with a licensed mortgage lender who is authorized to offer down payment assistance loans for first time home buyer in Colorado. CHFA, which stands for Colorado Home Finance Authority, and in 2016 invested \$1.3 billion in first mortgage loans. In 2016, 85% of CHFA's customers, were Millenials, and 33% were minorities.

Your mortgage lender is the direct contact person with CHFA, and who will guide you step by step throughout the entire loan process to help you get qualified for your first home loan using Down payment assistance. They will run your credit report to see what

your qualifying credit score is, and also they will determine exactly how much home you can afford.

Even though CHFA does offer down payment assistance programs, you might not need it, which in turn, will get you a lower interest rate up to 97% of the homes value, all without the need for mortgage insurance, or discounted mortgage insurance if you choose to pick that option. Your licensed mortgage lender will guide you through the process of which mortgage product will be best for you, as CHFA has multiple loan options to choose from , with and without down payment assistance.

The economic impact of CHFA's investment in Colorado for 2016 has positively promoted 10,482 jobs, and has over \$1.9 billion in related economic activity in terms of homeownership, rental housing, and business lending. You have made the right choice in downloading this report. Please read on for Step #2.



2. At this point, your mortgage lender has taken your full loan application, ran your credit report, and has reviewed all of your income documentation and banking information. W2s, paystubs, bank statements, and tax returns have all been collected at this point, and you should have a good idea from your Colorado mortgage lender in exactly how much you qualify for in terms of buying a home.

Now is a good time to really dial into how much you can afford personally in a monthly mortgage payment, with yourself, or with your significant other. At this point you want to gather information about all the upfront costs associated with this mortgage, and how much you will need for a down payment, and what your monthly mortgage payments will be every month. You can click this link at the CHFA homepage which is a full [mortgage calculator](#), and is a great aid in seeing how much home you can afford.

Figuring out how much you want to put down will really set the tone for your entire CHFA homebuying experience. You might choose to get a gift from a family member, so you can skip the down payment assistance from CHFA, and get a lower interest rate. Conversely you might only have access to a few thousand dollars and need the full entire 3% grant with another 1% credited towards your closing costs. Whichever route you choose, you are winning because you know there is a better, smarter way, in relation to continue renting every year, just throwing your money out the window, and continuing to pay your landlords mortgage, and ensure his goals of retirement. You are now taking the first full steps to getting closer to being a homeowner, and you are in the best place you can be in reading this article. Let's move on to Step #3.



3. Ok, you have met with a licensed mortgage lender, and figured out exactly how much you can qualify for in addition to knowing exactly how much money you want to put down. The numbers have been crunched, the lender pre-qualification letter has been given to your real estate agent, so let's go looking at homes right now. Right? Almost, Step # 3 in this process is taking a [CHFA Homebuyer Education course](#), which you can take online for \$99 per borrower, and \$50 for each additional co-borrower, or take it for FREE, in- person at classrooms all throughout Colorado, which I strongly recommend. You will be full immersed in the classroom setting, and I believe you will retain much more, with the opportunity to engage with your teacher, and ask as many questions as you like, so you full understand all faucets of the home buying process.

If you know absolutely nothing about owning a home, by the end of this mandatory course, you will have a working knowledge of why homeownership education is important, pros and cons of renting, key steps in the homebuying process, successful money management tips with regards to spending and budgeting now that you will have a mortgage, credit, mortgage laws, and much more. At the completion of this class, you will be given a HUD approved Homebuyer Certificate, which you will be required to send to your mortgage lender. The great thing about this certificate is that it is good for 12 calendar months, and the class will need to be retaken if you have not found a property within those 12 months. It is important that you participate in these classes so that you will retain this information. CHFA is giving you an opportunity to purchase a home using their money, with no repayment due from you, in certain instances, so understanding that this is a responsibility from you, in familiarizing yourself with this entire process, and appreciating the economic development that this program allows for you going forward. In closing, be sure that you definitely look into the CHFA program for both refinance and purchase loans. This is an amazing opportunity to get access to state funded capital with no need to pay back the down payment that is given to you, in certain instances. CHFA has been helping thousands of borrowers over the years obtain homeownership, helping them find the means to fulfill their dreams of being a homeowner.