HOUSING FINANCE 2020

New Mortgage Programs *for the* ***New Generation*** of Homebuyers

Anna DeSimone

Includes 50-state resource directory of grants, down payment assistance and low-cost mortgages from local housing agencies

Housing Finance 2020

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Disclaimer

The mortgage programs described throughout this book are available from licensed mortgage lenders and state-chartered housing finance agencies approved by institutional investors and government-sponsored enterprises such as Fannie Mae, Freddie Mac, Federal Housing Administration, U.S. Department of Veterans Affairs, U.S. Department of Housing and Urban Development, and USDA Rural Housing. Loan descriptions, qualifying rules, documentation requirements, borrower eligibility, and loan limits are subject to change. Resources are provided for each program in order for readers to obtain updated information directly from the mortgage agency.

Introduction

The new generation of homebuyers are information-seekers. They are people who navigate the World-Wide Web with ease. They like to figure things out on their own and make informed decisions. The Internet offers a vast amount of free information, but it's fragmented. You never seem to get the whole story in one place.

Let's be honest, most of what you see is advertising. After answering a few questions, you can get pre-qualified for a mortgage. Aside from receiving a brief description of the loan type and estimated costs, everything else is a mystery.

I decided to write this book because I believe it is time for consumers to take a look "behind the curtain." Real estate financing is a need-to-know topic. It's only fair—and also practical—for people to learn what to expect up front. While reading this book, you will walk in the shoes of a mortgage underwriter. You'll learn exactly what information is collected on the loan application, and what documents you need to submit to your lender. This book spells out every kind of qualifying rule, and which rules apply to specific loan programs.

The new generation of homebuyers say, "what can I do?"

People today are proactive, and they are willing to do what it takes to make things happen. Your goal is to demonstrate that you, and any partners, have the strengths and capabilities to responsibly finance a home. With the help of some checklists included in this book, you will be fully prepared when you meet with your lender.

There are a few proactive tasks that can be fun. You can learn to navigate the loan eligibility flash-map tools provided by Fannie Mae, Freddie Mac, and USDA Rural Housing. Drop the pin on a geographic location anywhere in the U.S. and view the property and income eligibility guidelines. While you're visiting these sites, you can switch to 3D satellite view, and take a virtual test drive through neighborhoods you hope to call home.

Over 900 web-links are included in this book. About 750 are sources of down payment assistance from state and local governmental agencies. Resources for every U.S. state are compiled in part 2 of this book. Each state directory features mortgage programs available from the official state housing finance agency. Descriptions include a representative preview of available grants, down payment assistance, and borrower eligibility. Here are some quick facts about state-chartered housing finance agencies:

- ✓ *All 50 state agencies offer conventional, FHA, VA, and USDA Rural Housing mortgages. Consumers can deal directly with the agency for eligibility, pre-qualification, or other assistance. Loans can be submitted directly or through a participating lender.*
- ✓ *49 state agencies offer down payment and closing cost assistance to first-time homebuyers. Most programs are 0% interest, and payment is deferred until the home is sold or refinanced. Average assistance nationwide is 4% of the purchase price.*
- ✓ *43 state agencies offer mortgage programs to borrowers with annual incomes of $100,000 and above. Remaining states are based on median income figures, generally around $70,000.*

Whether you are planning to build, buy, or renovate a home, I hope that you are able to find the answers to your questions here—in one place. My wish for you is that very soon the most important place will be the place you call your own home.

Anna DeSimone

CHAPTER 1

Ten Ways to Cover Your Down Payment

TRYING TO SAVE MONEY to buy a home is a challenge for people everywhere. Depending on the size of your household, and your paycheck, you can only stash away so much money on a consistent basis. It seems like every time you get a pay raise, there's another bill that just got higher. Sometimes that bill is from your current landlord. *And you just can't wait to say goodbye to your landlord.*

Lacking sufficient funds is also a dilemma for families who have outgrown their starter home and who need more cash to purchase a larger house, or one with more land. Those who are relocating to a new job might find homes much more expensive in the new area. Not only are these consumers faced with an affordability problem, but they will also have a mobility problem if they are unable to sell their current home quickly.

Prospective homebuyers have an array of Internet-based tools to explore homes for sale and monitor mortgage interest rates. Many consumers have learned how to navigate online pre-qualification tools and often discover that they ***can*** afford their anticipated mortgage payment.

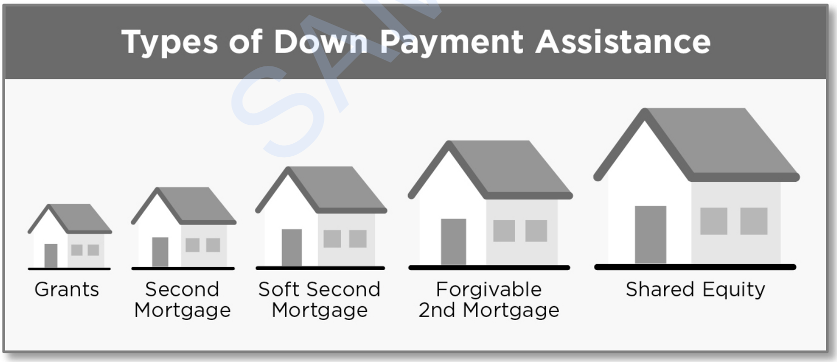
What's holding them back from owning their own home is essentially one thing—***cash***. The critical question people ask is simply, *"How much money do I really need?"*

$200,000 Home Purchase Scenario

On average, homebuyers need at least $15,000 to buy a home at a sale price of $200,000. This estimate is based on a down payment of $10,000, representing 5% of the sale price, plus another $5,000 to cover closing costs and other expenses. For people who are able to save $100 per week, it will take about three years to reach a savings goal of $15,000. For many households, setting aside $100 per week is an impossibility, thus further delaying the prospects of homeownership.

According to Zillow Research,[1] the average rate of appreciation for residential properties on a nationwide basis in 2018 was 7.6%. Each year that future homebuyers spend trying to save for their down payment, home prices continue to rise. This chapter introduces ten unique ways to supplement your savings, and in many cases, cover the entire down payment.

The infographic, *Types of Down Payment Assistance*, distinguishes five types of programs generally associated with state housing finance agencies and community-based housing partnership organizations. Housing finance agencies are independent state-chartered entities established to meet the affordable housing needs of the residents of their states.



Working under the direction of state government, housing finance agencies fund and administer lower-interest rate loans that are originated by local banks, thrifts, credit unions, and mortgage companies. Each state housing agency creates mortgage programs that parallel state population characteristics, housing costs, and median household income. Criteria is generally established on a per-county basis; however, there are many variables, particularly within major cities.

As a general rule, borrowers must meet certain eligibility rules regarding maximum income and maximum purchase price (or loan amount). Rules are established on a per-program basis, such as first-time homebuyer mortgages, renovation loans, down payment assistance and so forth. Most agencies offer several loan programs and repayment options, including some with no income restrictions.

The *State Resource Directory* included in Part 2 of this book contains a listing of each housing finance agency in every U.S. state. The agency's featured mortgage programs, including down payment assistance, are summarized along with a *Representative Preview* of eligibility rules. Many state housing finance agencies collaborate with local partnership organizations. Each agency works in tandem to enable seamless approval for the homebuyer's first mortgage and down payment assistance.

There is a section within each state directory titled *Down Payment/ Homebuyer Assistance.* This section lists entities located throughout the state that offer homeownership assistance. Listings are sorted alphabetically and include municipal offices, local housing partnerships, neighborhood development organizations and Native American family service centers. Municipal offices are listed by location, such as city, county or parish.

The directory in this book lists organizations that offer some type of financial assistance. However, there are many more sources that you can find on your own. The instructional guide on the next page explains how you can locate sources of grants or down payment assistance in your geographic area.

You may discover many support services are available to help existing homeowners with heating, energy improvement, foreclosure assistance, and programs for veteran, senior or handicapped households. Perhaps these organizations are not providing financial assistance to new homebuyers; however, you will learn about many valuable resources that will be available to you *after* you own your home.

CHAPTER 2

Cash-Saving Opportunities for Homebuyers

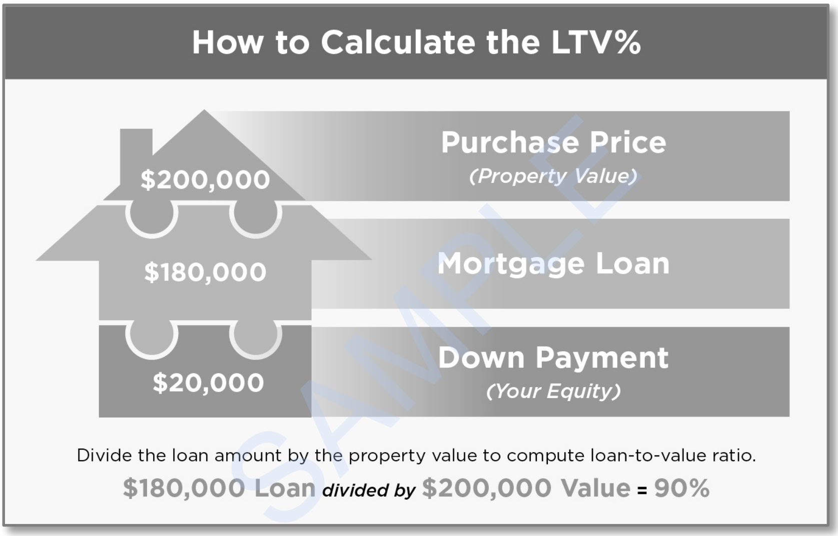
THE QUEST CONTINUES to find ways to buy a home with the least amount of cash. Once you are a homeowner, you will need a little extra money to decorate the house and buy furniture. *Okay, you will need a lot of extra money.*

This chapter illustrates a number of mathematical equations that explain how you can purchase a home with the least possible amount of up-front cash. Both Fannie Mae and Freddie Mac offer mortgages that accommodate secondary financing (such as a soft second mortgage) from housing partnership agencies. Because of the collaborative efforts among state and federal agencies, you have the assurance of a safe and sound financing solution—and one that is affordable.

If you have been browsing mortgage interest rates, you may have noticed each advertised program refers to a minimum down payment. Down payment requirements are expressed in two ways. The first type of description is "5% minimum down payment," which means the buyers need $5,000 cash on a home purchase of $100,000. The second type of description is "95% financing" which means the loan program will allow a mortgage of up to $95,000 on a $100,000 home. Mathematically, the two types are equal.

Loan-to-Value (LTV%)

When the description "95% financing" is used, it indicates a corresponding mathematical equation called "maximum loan-to-value." Mortgages are *secured loans* and the real estate property serves as the lender's security for the loan. The secured property is referred to as *collateral*. Therefore, the maximum permissible loan amount is determined by the *value* of the property. Known as *LTV* for short, the technical term is "loan-to-value ratio." The LTV *ratio* signifies the relative difference between the lender's investment (mortgage) and the borrower's cash investment (owner's equity).



The infographic, *How to Calculate the LTV%,* reflects a $200,000 home purchase and a mortgage of $180,000. In order to compute the LTV%, the mortgage loan amount is *divided by* the purchase price, as illustrated:

$80,000 (Loan) ÷ $100,000 (Purchase Price) = 80%

For refinances, the requested loan is divided by the borrower's *estimated property value*. After the property is appraised, the final LTV% is based on the value indicated in the appraiser's report. Below is an example.

$140,000 (Loan) ÷ $200,000 (Property Value) = 70%

Earnest Money Deposit

When a homebuyer makes an offer to purchase a home, the builder, seller, or real estate agent is going to ask the buyer for an "earnest money deposit." Deposits may also be referred to as a *binder* or a *good faith deposit.* The down payment on a purchase is broken out into two segments—first, when the offer to purchase is made, and second, on the date of closing.

In the infographic example, *How to Calculate the LTV%,* the down payment is shown as $20,000. In a true real estate purchase, as an example, the buyer would give the seller an earnest money deposit of $2,000. The remaining $18,000 is brought to the closing. The LTV% is *always* based on the *total down payment.*

There are a number of mortgage programs, such as Veterans or Rural Housing loans, that offer 100% financing and the down payment is zero. For these transactions, homebuyers would pay a modest earnest money deposit to secure the offer. At closing, the amount paid is returned to the borrower, or subtracted from any closing costs owed.

Minimum Cash Requirements

Most mortgage programs have minimum down payment requirements. Requirements are established according to the loan purpose, owner occupancy and property type. Whether or not the down payment must be from the borrower's own funds is a rule that varies according to the specific loan program.

Some loans will include the description, *"down payment must be from borrower's own funds."* For FHA-insured loans, the requirement is referred to as "minimum required investment," or MRI for short. Mortgages that permit minimum down payment money from other sources include statements such as, *"down payment does not have to be from borrower's own funds."*

When minimum required funds are permitted from other sources, the lender will ask for documentation from any contributing entity, and also request copies of your bank deposit receipts for money received. Homebuyers may use more than one contribution source in the same transaction, such as a combination of gift, grant or employer assistance.

Use of Down Payment Assistance Funds

Housing agencies often describe down payment assistance programs with a statement such as, *"Assistance is available up to 5% of the purchase price to cover down payment and closing costs."* Other options may be stated as, "*Minimum down payment of 3% required; at least $1,000 must be from borrower's own funds*."

Assistance funds can be used to cover other costs, depending on the individual program. Examples of other costs may be work completed for purposes such as: heating system upgrades, energy-efficiency, lead paint removal, or construction of a handicap access. Whether assistance is in the form of a grant, a forgivable loan, or a soft second mortgage, funds must cover the minimum down payment, or supplement the borrower's own funds. Any remaining funds are allocated toward closing costs. Following is an example:

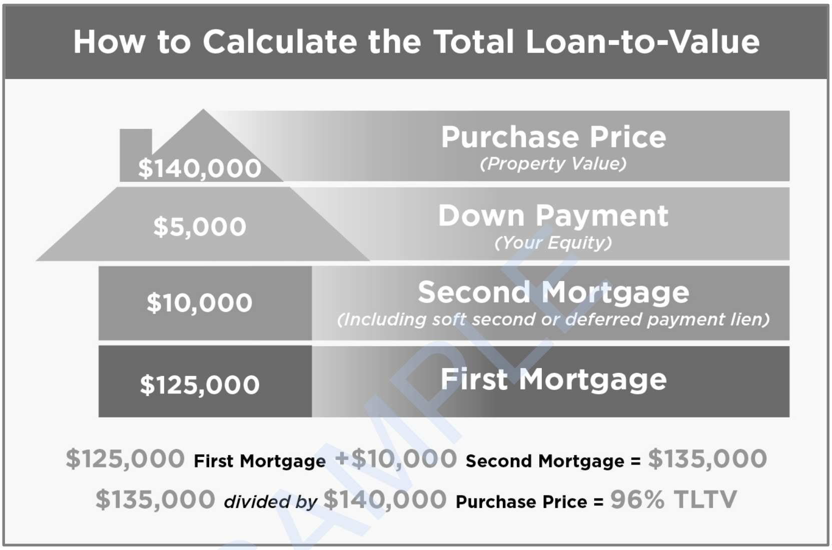
> *Homebuyers are purchasing a home under the USDA Rural Housing program, which requires no down payment. The housing agency is providing a 5-year forgivable loan in the amount of $6,000 to pay for closing costs and upgrade the home's heating system.*
>
> *At closing, $3,000 is applied toward closing costs. The closing agent holds the remaining $3,000 in an escrow account and pays the heating contractor when work is completed. The $6,000 forgivable loan gradually decreases at the rate of $100 per month over a period of 60 months.*

Total Loan-to-Value (or Combined Loan-to-Value)

If there is going to be a secondary financing (including a soft second or deferred second mortgage) there will be a "subordinate lien" placed on the property. For these transactions, the lender needs to perform a calculation known as "total loan-to-value," or "combined loan-to-value."

Referred to as *TLTV* or *CLTV* for short, this computation is a *ratio* that establishes the relative difference between the buyer's cash investment compared to *(the sum of)* two liens. In order to compute the TLTV%, the dollar amount of the second mortgage amount is *piggy-backed* onto first mortgage amount. The sum of the two liens is totaled. The total is then divided by the purchase price. The final answer reflects the *total-loan-to-value ratio.*

As long as this ratio falls within the maximum TLTV of a requested first mortgage program, the homebuyer can take advantage of the second mortgage opportunity. In the infographic example, the homebuyer's down payment is $5,000. The first mortgage of $125,000 is added to the $10,000 second mortgage. The total of the *combined liens* is divided by the purchase price to compute the TLTV of 96%.



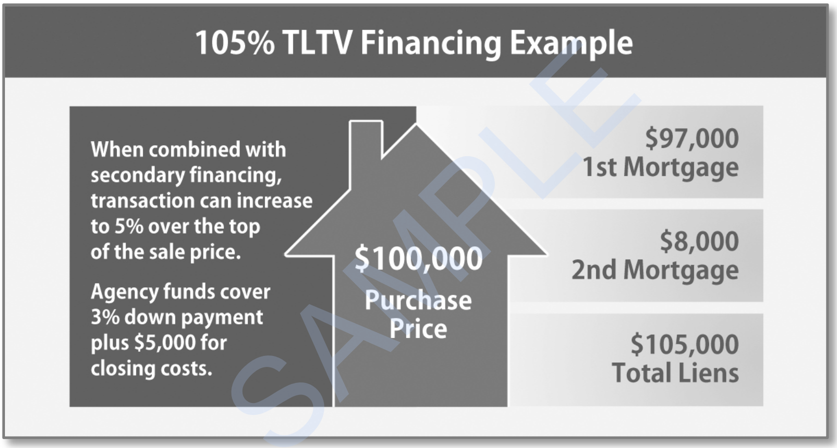
Because the second mortgage is a *soft second* requiring no monthly payments, the borrower's housing expense and loan qualification are based *only on the $125,000 first mortgage*. Although many programs are referred to as "down payment assistance loans," there are many opportunities available that offer loan amounts large enough to cover the down payment, closing costs, and certain types of home improvement after the closing. Here are the 4 key considerations:

1. *The first mortgage program must allow subordinate financing.*
2. *The combined amounts of the two liens must comply with the program TLTV limit.*
3. *Borrowers must meet any minimum cash requirements to cover the down payment for the first mortgage program.*

4. *If the second mortgage requires a monthly payment, the expense is included in the borrower's loan qualification—unless payments are deferred for at least 3 years.*

105% Total Loan-to-Value Option

By taking advantage of the newest programs from Fannie Mae and Freddie Mac, homebuyers can stretch their secondary financing from housing agencies even further. The uniqueness of this program is that it allows the two liens to reach a combined value that is 5% higher than the purchase price of the home. These new programs do not require a minimum contribution of the borrower's own funds.



The infographic describes a $100,000 home purchase with 3% down payment. The housing agency offers an $8,000 soft second loan representing 8% of the purchase price. In this scenario, the second mortgage covers the entire 3% down payment and $5,000 in closing costs. The TLTV is computed:

$97,000 (1st mortgage) + $8,000 (2nd mortgage) = $105,000

$105,000 ÷ $100,000 (purchase price) = 105% TLTV

Summarized on the following pages are programs from Fannie Mae and Freddie Mac that allow 105% TLTV transactions with secondary financing provided by an authorized housing agency or nonprofit entity.

CHAPTER 3

Safe and Secure Mortgages

AM I TAKING A RISK? By now, you might be asking yourself that question. After all, we have discussed borrowing not just one, but two mortgages. You want to be certain that the financing of your new home is safe and secure. When you submit a loan application with a lender, you will be given extensive financial disclosures about your mortgage. It is very hard to absorb all this information while you are gathering paperwork requested by your loan officer and juggling appointments with property inspectors or building contractors. This chapter explains how mortgages work and will give you a preview of what to expect when you receive your loan disclosures.

Mortgage sustainability includes being able to pay off your mortgage and any other property liens in the future. This section describes how the value of your home grows over time and illustrates how your mortgage debt slowly decreases. Home ownership can be a secure investment that builds a nest egg of cash for your future.

You've likely heard stories about *predatory lending*, *toxic* mortgages and loans with *risky* features. Perhaps you are concerned that you might be steered toward a loan program that is more costly. This book prepares you for what to *look for*, and what to *look out for.* Importantly, you need to know if your lender is *looking out for you.*

CHAPTER 5

Credit Scores and Reports

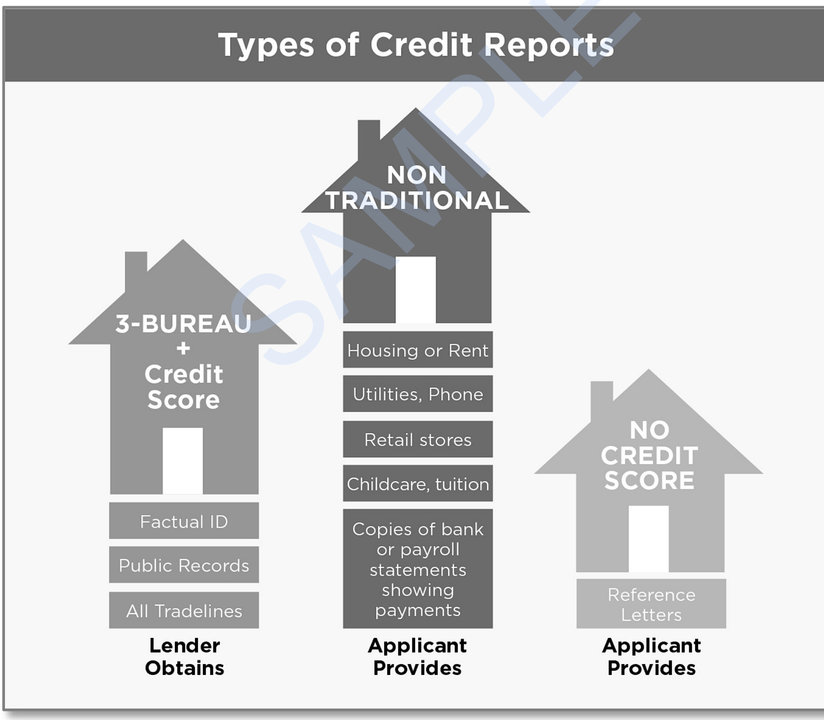
GIVE YOURSELF CREDIT. As consumers, we have no control over the rate of interest or the cost of housing. However, we do have some control over our credit rating. If you are willing to take a pro-active approach and complete a few extra steps, you ***can*** make a difference.

So far, you have learned about ways to boost your buying power on a new home through innovative financing or down payment assistance. In this chapter, you will learn how you can boost your buying power by strengthening your credit profile.

If you have been browsing mortgage interest rates on the Internet, you may have noticed that some advertisers ask you for information about your credit history before quoting a rate. Some may ask you to judge your credit in general terms such as "very good," and others may ask for your "credit score" or score range. Unfortunately, this question often makes people start to think about the potential road blocks ahead in their long journey to buy a home. There are many consumers who have the financial capacity to purchase a home—but they hesitate. They may be unsure about their credit rating, particularly if they've missed a few bill payments. Others might be thinking, "*how can I get a home mortgage if I have spent my life paying for everything in cash?*"

For generations, people have been told that paying in cash is a good thing. They heard their grandparents quote the famous words of Benjamin Franklin: *"A penny saved is a penny earned."* Some people have very little in their credit file, but their savings accounts are "not so little."

In recent years, Fannie Mae and Freddie Mac have studied the contrasting ways people handle money among a diverse range of consumers throughout America. The newest change from both Fannie Mae and Freddie Mac allows mortgages to borrowers with no credit scores. The infographic features three categories of credit reports used by mortgage lenders: "3-Bureau Report," "Non-traditional," and "No Credit Score." Each type is described separately on the following pages, along with a list of documents that can be used to build your credit profile.



CHAPTER 13

Construction and Renovation Loans

A FIXER-UPPER HOME might be your dream home. Buying a home that you can totally transform with your own ideas can be very rewarding. You will be working hard on your designs, making lots of decisions, and monitoring the work of many contractors. Before contemplating such a huge task, it will help to understand how construction and renovation loans work. If you are buying a "fixer-upper," a renovation loan is the right solution for adding a room or porch, installing a new kitchen, replacing the roof or exterior siding, upgrading bathrooms, upgrading electric, plumbing, or heating.

Because the work that you do significantly increases the value of your home, you can borrow money to cover the cost of renovations that is over and above the price of the house. On the other hand, if you are buying a home that needs extensive work, the type of financing you need might be a "construction loan."

An easy way to understand whether you need a construction loan or a renovation depends upon the condition of the overall support structure, and if there are any "exposed" areas. If there are missing windows, doors, exterior walls, or portions of the roof, the home is exposed to weather damage and intrusion. Construction loans are usually required for such properties, or if you are buying a "tear-down" home, where only the foundation or limited structures will remain.

How Construction Loans Work

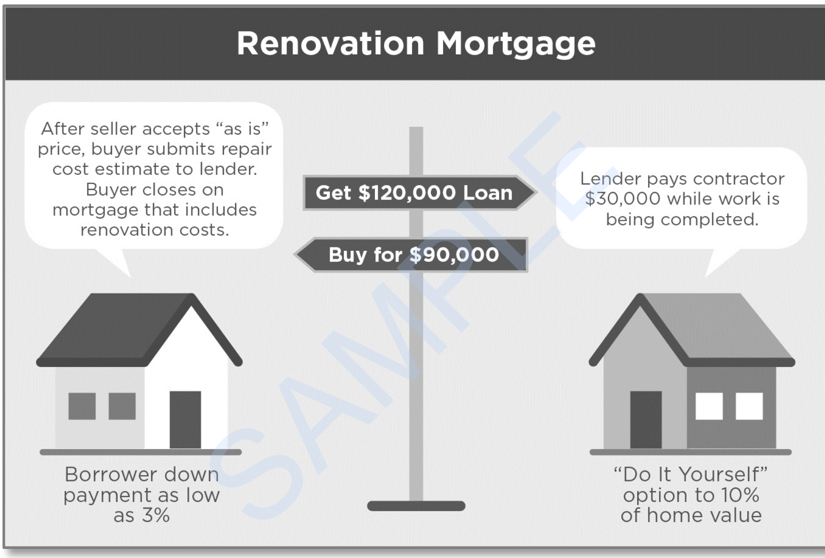
A construction loan is short-term financing, and also known as “interim financing.” Money is given to homebuyers to pay for the construction of a new home on a private parcel of land. The land may be already owned by the buyer, or it is currently being purchased and the buyer also needs a loan to buy the land. Construction loans are not “land loans;” however, there are local savings and loan institutions who often provide both land loans and construction loans to their local customers. Generally, such transactions are associated with “custom-built” homes, involving an architect and professional builder. The entire cost of construction must be financed by the buyers, hence the need for a construction loan.

Builders must provide the buyer a cost estimate to submit to their lender. Once borrowers are pre-approved for construction financing, the lender will request a signed contract from the builder, along with copies of their license, insurance certificate, construction plans, and specifications. Contracts generally outline the detailed cost for the foundation, completed exterior structure, electrical, plumbing, interior finishing, heating, cooling, roof and windows. The mortgage lender will disburse funds to the builder on a structured basis as certain phases are completed. Usually, 20% of the total is advanced to build the foundation. During the construction period, the lender will complete site inspections to confirm each phase is completed before disbursing the next installment. When the home is completed, the town assessor’s office (or local jurisdiction) will issue a “certificate of occupancy,” which allows the homebuyers to take possession.

While the home is being built, most homebuyers will be seeking a “permanent mortgage,” sometimes called an “end loan.” A popular financing option is known as a “construction-permanent” mortgage, also called a “construction-conversion” mortgage. These loans are known as “single-close loans,” since they eliminate the necessity for borrowers to apply for two types of financing. Construction-permanent mortgages can be used to finance the purchase of a modular or manufactured home, where loan proceeds cover the cost of the home materials, the construction of a foundation, and for the installation and finishing of the house.

How Renovation Mortgages Work

Renovation loans are "over the top" mortgages. In other words, the lender will approve a mortgage that covers both the "as is" price of a home, plus the cost of improvements. After agreeing to an "as-is" price from the seller, borrowers can apply for a mortgage that covers both the renovation costs and purchase price. Homebuyers must obtain a cost estimate from a professional contractor that describes all of the repairs or property improvements. The lender will hire an appraiser or professional estimator to determine the "as-completed" property value.



The infographic describes the purchase of a home for $90,000 that will need $30,000 in renovations. Although the actual sales price is $90,000 the "transaction" is drawn up by the lender for $120,000. The lender disburses $30,000 to the contractor on a structured basis, as work is completed. The cost of materials can be advanced to the contractor immediately after closing. The borrower's minimum down payment, and loan-to-value percent, is based on the *as-completed* value. Borrowers may obtain a mortgage that permits do-it-yourself work up to 10% of the value. In the example above, the borrower could complete $12,000 worth of work, and the contractor would complete the remaining $18,000.

CHAPTER 18

HUD Good Neighbor Next Door Program

A FIFTY PERCENT DISCOUNT is available to law enforcement officers, school teachers, firefighters, and emergency medical technicians when buying a HUD-owned property under HUD's *Good Neighbor Next Door Program*. The U.S. Department of Housing and Urban Development (HUD) offers this unique program to persons who are employed in certain professions that contribute to the local community.[45]

Good Neighbor Next Door allows these community-service homebuyers to receive a 50% discount from the list price of a home that is being offered for sale by HUD in certain areas within the state where the homebuyer is employed. Purchasers must commit to living in the property for 36 months as their sole residence.

Law enforcement officers must be employed full-time by a law enforcement agency of the federal government, a state, a unit of the general local government, or an Indian tribal government.

Teachers must be employed as a full-time teacher by a state-accredited public school or private school that provides direct services to students in grades pre-kindergarten through 12. The public or private school must serve students residing in the area where the home is located.

Firefighters and emergency medical technicians (EMTs) must be employed full-time by a fire department or emergency medical services responder unit of the federal government, a state, a unit of the general local government, or an Indian tribal government serving the area where the home is located.

Eligible properties include single-family homes that are located in specific geographic areas. *Revitalization areas* are HUD-designated geographic areas authorized by Congress intended to promote community revitalization through expanded homeownership opportunities. The criteria for designating a location as a revitalization area relate to the level of homeownership, foreclosure rate and householder income.

Property Look-up Tool

Prospective buyers wishing to purchase a home are able to view current property listings for the state where they currently are employed. The listings are available on HUD's website at:
https://www.hudhomestore.com/Home/GNND.aspx

Source of images used in this chapter: HUD.Gov/HUD Homes

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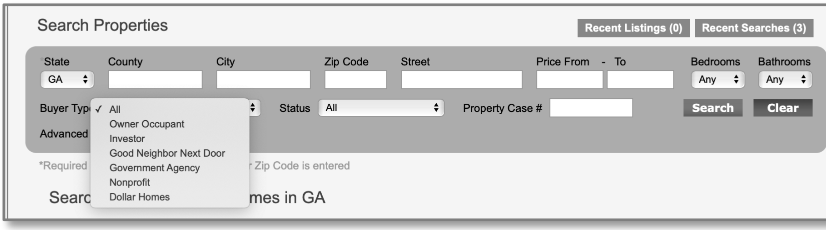

From the home page, users can select "Good Neighbor Next Door Program." Alternatively, you can click on any state on the flash map. Either option will proceed to the "Search Properties" screen illustrated above.

Choose "Owner Occupant" in the box named "Buyer Type." Then click "search." The screen will immediately display all of the eligible properties in the state. To narrow your search, you can enter in a city, county, or zip code. The website operates similarly to that of an online real estate agency site, and displays photographs of the homes along with the full property address, asking price, number of bedrooms and bathrooms, listing status, and other characteristics. Each listing also includes a link for the user to map the property location.

The site provides instructions for submitting an inquiry regarding a specific home. If more than one person submits an offer on a single home a selection will be made by random lottery.

Financing Options

Purchasers may pay cash or apply for a conventional, FHA, or VA mortgage. The amount of the earnest money deposit required is an amount equal to 1% of the list price, but no less than $500, and no more than $2,000.

Under the *Good Neighbor Next Door* program, HUD requires purchasers to sign a document referred to as a "silent second" mortgage. This mortgage does not have any payment or interest and its purpose is to function solely as security in the event the homeowner does not keep their promise to live in the home for three years.

The amount of the silent second mortgage is equal to the dollar amount of the discount. For example, if the listing price is $100,000, the purchaser's price is reduced to $50,000. Purchasers will sign the second mortgage and note. Should the purchaser(s) fail to fulfill the three-year occupancy requirement, they will be asked to pay HUD a pro-rata portion of the discount.

COLORADO

Colorado Housing Finance Agency

Denver Office: 7595 Technology Way, Suite 300, Denver CO 80237
Tel: 303-297-CHFA (2432) 800-877-CHFA (2432)
Western Slope Office: 348 Main Street, Grand Junction, CO 81501
Tel: 970-241-2341 800-877-8450 Fax: 970-241-9422
https://www.chfainfo.com/
See website for list of Spanish-speaking lenders

- Conventional, FHA, VA, USDA Rural Housing
- First-time and Repeat Homebuyer Programs
- Refinance
- Down Payment Assistance
- Mortgage Credit Certificate (MCC)
- Energy Efficient Loans
- Disabled Persons
- Spanish Language Booklets
- Homebuyer Education Classes

Representative preview: mortgages for qualified veterans and first-time homebuyers include option to combine with a 0% down payment assistance loan. Programs for re-financing or home purchase with 3% down payment. Maximum borrower income is set per county. Limits for non-targeted areas for 1-2 persons ranges from $81,600 to $108,600 and $5-10,000 higher for households with 3+ more persons. For targeted counties, the income range is the same as non-targeted for a large number of counties. Borrowers may choose a down payment assistance grant of up to 4% of the loan amount or a second mortgage loan up to 5%. Repayment of second mortgage loan is deferred until loan is paid or home is sold or refinanced.

Down Payment/ Homebuyer Assistance

Adams County Housing Authority - Brighton
http://www.adamscountyhousing.com

Arapahoe County First Time Homebuyer Assistance
http://www.co.arapahoe.co.us/1321/First-Time-Homebuyer-Assistance-Program

Aurora – Homeownership Assistance
https://www.auroragov.org/residents/home_improvement/down_payment_assistance/

Boulder - Homeownership Programs
https://bouldercolorado.gov/homeownership

Colorado Housing Assistance Corp. – Denver
http://www.chaconline.org

Commerce City Housing Authority
http://www.c3gov.com/living-in/housing-authority

Community Resources Housing & Development Corp.
http://www.crhdc.org *(also see USDA Self-Help Housing in this table)*

Delta Housing Authority
http://deltahousingauthority.org/dha/

Del Norte Neighborhood Development Corp.
http://www.delnortendc.org/homeownership-services/

Denver Office of Economic Development Affordable Housing Ownership
https://www.denvergov.org/content/denvergov/en/denver-office-of-economic-development/housing-neighborhoods/ready-to-buy.html

Douglas County Housing Partnership – Lone Tree
http://douglascountyhousingpartnership.org/programs/

Eagle County Housing Dept. – Eagle
http://www.eaglecounty.us/housing/

Fort Collins – Housing
https://www.fcgov.com/socialsustainability/hba.php

El Paso County Housing Authority Turnkey Program
http://adm.elpasoco.com/BudgetAdministration/EconomicDevelopment/Pages/SingleFamilyMortgageBondProgram.aspx

Grand County Housing Authority – Hot Sulphur Springs
http://co.grand.co.us/423/Down-Payment-Assistance

Homes Fund – Durango
https://homesfund.org/mortgage-assistance/

Longmont - Down Payment Assistance
https://www.longmontcolorado.gov/departments/departments-e-m/housing-and-community-investment/housing-programs/down-payment-assistance-program

Loveland Housing Authority
https://lovelandhousing.org/home-ownership/

Loveland Housing Programs for Larimer County
https://lovelandhousing.org/home-ownership/larimer-home-ownership-program/

NeighborWorks Southern Colorado – Pueblo
http://nwsoco.org/

Newsed Community Development Corp. – Denver
http://newsed.org/programs/downpayment/

Prairie Development Company, Stratton CO
http://www.prairiedevelopment.com/contactus/index.htm

Pueblo – Homeownership Assistance
https://www.pueblo.us/253/Homeowner-Assistance-Programs

Tri-County Housing & Community Development – Fowler
http://www.tchcdc.org/about_tch.aspx

Wheatridge Housing Authority
http://www.ci.wheatridge.co.us/265/Wheat-Ridge-Housing-Authority

USDA Self-Help – Build Your Own Home

Central Colorado Housing – Canon City
http://selfhelphousingspotlight.org/central-colorado-housing/

Community Resources Housing & Development
http://selfhelphousingspotlight.org/crhdc/

Housing Resources of Western Colorado - Grand Junction
http://selfhelphousingspotlight.org/housing-resources-western-colorado/

Northeast Colorado Housing – Fort Morgan
http://www.northeastcoloradohousing.org/

HUD-Approved Counseling Agencies in Colorado

https://www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm?&webListAction=search&searchstate=CO

About the Author

Anna DeSimone is a nationally recognized author and consultant in housing finance. She has written over 40 professional guidebooks and published over 600 articles on the topics of fair lending, mortgage best practices, and consumer compliance. In 1986, she founded Bankers Advisory, a mortgage compliance and quality control audit services company, acquired by Clifton Larson Allen LLP in 2014.

Anna has authored many educational publications for the Mortgage Bankers Association of America, including the *Fair Lending Resource Guide* and *Handbook of Fair Lending*.

She has provided expert court testimony, served as a radio and television commentator, and was a featured entrepreneur in *Bloomberg News, Forbes Magazine* and *The Suit*. Anna was named one of *Housing Wire's* Women of Influence, and received awards from *Acquisitions International* and *Wealth and Finance Magazine.*

Visit Anna's blog on
www.housing2020.com

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Anna DeSimone is an award-winning author and consultant in housing finance. Lending institutions throughout the country have relied upon Anna's best practice guidebooks on the topics of fair lending, regulatory compliance and mortgage origination.

Anna is the founder of CLA Bankers Advisory, a mortgage quality control and compliance consulting firm based in Lexington, Massachusetts.

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