

# Buying That First Home May Not Be As Impossible As You Might Believe

This week's column is inspired by a blog post I read last week. It asserted that the group of young adults known as millennials will become the largest home buying age group by the end of 2015.

That comes as a surprise, given how that group is known for preferring renting over buying. They don't even want to buy cars, becoming the largest source of customers for Car2Go and similar car share services.

For myself, I can't remember anyone under 35 walking into our Golden office who wasn't looking for a rental.

If millennials do in fact start buying homes, they'll need to deal with several misconceptions that they share with other first-time home buyers.

**Myth #1: Lending requirements are too tight.** In fact, lending guidelines have loosened significantly in the past few years since the over-reaction

caused by the housing crash of 2008-2010. You owe it to yourself to speak with a reputable loan officer to find out how much of a loan you qualify for. **Do not go online to find a lender.** Ask a Realtor like one of us at Golden Real Estate to recommend a loan officer we know and trust. We don't have any captive or "affiliated" lenders. If we recommend a loan officer,

it's not because our company makes money on the loan, it's because he or she has served our past clients well.

**Myth #2: You need to have a 20% down payment.** Even in the depths of the recent recession, this was never

true. The FHA loan still requires only a 3.5% down payment, and there are conventional loans available requiring 5% or less down without the burden of FHA's mortgage insurance. If you get your loan through the Colorado Housing Finance Authority, you can buy a home with as little as \$1,000 out of pocket! If you're an honorably discharged veteran, you may qualify for a VA loan which, as always, offers 100% financing. And don't forget the **Mortgage Credit Certificate** program, which grants first-time home buyers the ability to declare 20% of the loan interest as a tax credit instead of a tax deduction for the life of the mortgage loan. Think of it as a rebate of 20% of your mortgage interest every year. This unbelievably generous program has been in effect throughout the recession and continues in effect today. Not every lender or loan officer is authorized to enroll you in this pro-

gram, so be sure to ask about it. In addition to first-time home buyers, this program is available to anyone who buys in a designated distressed area, as well as to veterans. We know loan officers certified for this program, so you could ask us.

**Myth #3: You can get a better deal by buying without a buyer's agent.** This belief comes from a real misunderstanding of the home buying process. As a buyer, you need an agent on your side, not just to negotiate the original purchase contract, but to shepherd you through the closing process. You need an agent to coach you on valuation, on inspection issues (including selection of a trusted inspector), and countless other matters that will arise before a closing can happen. The listing agent, at best, can only treat you fairly. He will not be on your side in a transaction. You need an experienced buyer's agent.

## REAL ESTATE TODAY



By **JIM SMITH**, Realtor®

## Coming Soon: Fabulous Net Zero Home in Lafayette

### If You're Into Organic Gardening, This Solar-Powered Home Is for You

This home at 2339 High Lonesome Trail is a rare "net zero" home in terms of electricity. The roof-mounted photovoltaic system generates enough electricity to satisfy this home's electrical needs, which include hot water. Only heating and cooking are done by natural gas. In the backyard are several organic gardening beds (below) plus composting



boxes serving all planting needs. Upstairs is a spacious master suite overlooking the backyard and the greenbelt behind it, plus two guest



Tour This Home Online at [www.IndianPeaksHome.info](http://www.IndianPeaksHome.info)

bedrooms facing the front yard. In the basement is a guest suite with its own kitchenette, currently rented out to a roomer, plus a home theater with a high-end surround-sound system. **Don't look for this home on the MLS** — the sellers don't want to list it until after the holidays. But you can take a narrated video tour of it on its special website shown above.

## Realtor.com Ranks Denver #3 In Top 2015 Growth Markets

In its latest housing report, realtor.com named 10 markets "ready for significant acceleration across housing metrics," and Denver was third on that list, including our west metro area as well as Aurora and Broomfield.

Among the 10 markets named, ours had the highest expected growth in home sales — 14%. Next highest were Atlanta (#1 on the list) and Phoenix (#8), both with 11% growth, and Washington DC (#10) with 10% growth in home sales.

The other cities on the list were Dallas-Ft. Worth (#2), Des Moines (#4), Houston (#5), Los Angeles (#6), Minneapolis (#7), and San Jose (#9).

The report stated that Denver's high growth in home sales will be in spite of the low inventory we have been witnessing. For more information on this or any real estate topic, call me at 303-525-1851.

## Never Pay for Moving Again!

In the excitement of buying or selling a home, it's easy to overlook the cost of moving. The ten agents at Golden Real Estate want to relieve you of much or all of that added expense. Not only do we provide you with free use of our 15-foot box truck, but we even provide free moving boxes, wrapping paper and bubble wrap! We also provide free laborers and free gas when you sell your current home and buy your replacement home using us!



Serving the West Metro Area

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