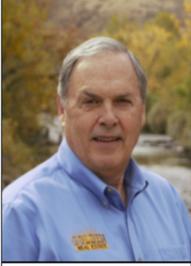


Many Renters Are Unaware of Programs That Make Homeownership a Possibility

Last week I wrote about the challenges facing buyers who must sell their current home in order to buy a new home and are not sure how to accomplish that.

REAL ESTATE TODAY



By **JIM SMITH**, Realtor®

This week, I'm going to address the different challenges facing renters, including first-time home buyers.

There are many programs for first-time home buyers, but did you know that anyone can qualify as a first-time home buyer if he or she hasn't owned a home for at least three years? You could have owned many homes in your lifetime, but if you haven't owned one in the past three years, you can take advantage of these special programs.

A common misconception among people who want to buy a home is that a 20% down payment is required, but that is simply not true. Another misconception is that if you put down less than 20%, you'd be required to pay for mortgage insurance. There are conventional loans available with as little as 3% down that don't require mortgage insurance. That differs from the 3.5% minimum down payment required for FHA loans which *do* require mortgage insurance which continues for the life of the loan.

One of our preferred lenders, **Scott Lagge of Movement Mortgage**, compares the low costs of available programs to what renters pay when they lease a condo or home. Typically, renters need to come up with the first and last month's rent plus a damage deposit. Some first-time home buyer programs have out-of-pocket costs as low as \$500. Moreover, your partially tax-deductible mortgage payments could be as low or lower than what you'd pay in totally non-deductible rent.

When I bought my first home in Golden in 1997, I was single but I had a good friend (also renting) who agreed to rent a room from me if I bought a suitable home. I found a ranch-style home with a walk-out basement that worked perfectly. He lived in the basement, I had a main-floor master suite, and he had access to the kitchen. We both saved money over renting, and I was building equity in my home. This is a formula that can work for anyone – if they have someone they'd like to have living in their basement!

There are programs from CHFA (the Colorado Housing & Finance Authority) that offer a grant of up to a 3% of the first mortgage loan amount, or up to 4% through a "silent" second mortgage

that accrues no interest and requires no payment until the first mortgage is paid off, either at maturity, refinancing or resale.

Scott claims that the best first-time homebuyer program of all is his company's Dream to Own Loan. This loan includes a silent second of 4% of the purchase price to be used for down payment and closing costs. This is the closest thing to a no-money-down loan that Scott's aware of for first-time buyers. There's no mortgage insurance and the rates are competitive. Call Scott at **303-944-8552** for more details.

Another great option for renters is a rent-with-option-to-buy program which you can read about at www.HomePartners.com. The way it works is that you only have to qualify to rent a home which that company then purchases so you can rent it. They'll pay up to \$500,000 for almost

any home (except a condo) that's on the MLS once you agree to rent it at a pre-determined rental amount based on the purchase price. You can rent the home for up to five years, knowing in advance what your rent will be for all five years, but at any time you can buy that home at a price that is also agreed to in advance. **Call Golden Real Estate to apply for this program.**

That program is also a good option when your credit isn't strong enough to buy right away but you know it will be better within five years. You can also use the program for the peace of mind that comes from knowing what you'll pay in rent for five years and that you won't have to move.

It's also a good program for people relocating to our area who see a home they *may* want to buy but feel better renting it with an option to buy it later on if they like it — but they don't have to.

Just Listed by Kim Taylor: Crawford Home on 40 Acres

Once again, I'm pleased to promote a new Western Slope listing by Kim Taylor, a former broker associate. Located at **34499 Fruitland Mesa Road** in Crawford, it has stunning mountain views from almost every room! This fantastic home is in immaculate condition, ideal for those who work from home, with high-speed internet and great cell service, yet close to the outdoor recreation opportunities of Black Canyon National Park, Crawford State Park, and the West Elk Wilderness. The open concept kitchen and dining area leads out to the large covered deck over-looking the property and facing the West Elks. The finished walk-out lower level apartment provides ample space for guests or a multi-generational living opportunity with its full bath and kitchenette. Creative attention to detail is evident in every aspect of this home including the decorative concrete pathways circling the house, the wrought iron fenced garden with raised beds and granite paths, the outdoor hot tub for stargazing, and over 2½ miles of *your own private trails* for walks, snowshoeing or ATV rides! And best of all, no traffic! Watch a narrated video at www.FeelsLikeHome.info, or call Kim at **303-304-6678** for a showing.



Just Listed: 3-Bedroom Home Atop Golden Gate Canyon



You'll love the remoteness and quietness of this home's location at **1296 Golden Gate Drive**, just 12 miles from downtown Golden! The drone footage at the end of my narrated video tour at www.FoothillsHome.info captures that remoteness well. Built in 1997, this 2,798-square-foot home on two acres is more than your typical foothills cabin, with its oversized 2-car garage, its great room with its freshly refinished hardwood floor, wood burning stone fireplace and vaulted ceiling. There are three decks, too — the wraparound main-floor deck with direct access from the master suite, and two smaller decks upstairs, outside both bedrooms and the loft. Because this home's in Gilpin County, the property taxes are only \$718/year. After you've watched the video tour, come to my open house on **Saturday, May 4th, 11 am to 2 pm**. Or call me at **303-525-1851** for a showing!

Attention Homeowners: This week you should have received the new valuation opinion from your county assessor. Your 2019 and 2020 property taxes will be based on that value, which is what the assessor believes your home might have sold for on June 30, 2018. In next week's column I'll explain the process for appealing that valuation to lower your tax bill.



Get This Column in Your Inbox Every Thursday.
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