



Solving the Puzzle of Homeownership

Buying your first home is one of the largest single financial commitments you will ever make. It can also be a stressful experience. The best way to lower your stress and be successful is to understand the process. Home buyer education will give you a general overview of both the home buying and mortgage financing process.

Applicants for down payment assistance loans will be required to attend home buyer education classes.



What should you look for in a home?

It is important to look at the home carefully for signs of structural, equipment, and surrounding problems such as water seepage, condition of foundation, condition of roof and gutters, etc.

An inspection of the home will be required to assure that it meets at least Section 8 standards.

General Information?

To be eligible for the Down Payment Assistance Program you must:

- *Be a low to moderate income resident of Las Animas or Huerfano County*
- *Qualify for a first mortgage with another lender*
- *Have at least \$500 of your own money to put toward the purchase*
- *Attend homebuyer education classes with a HUD certified agency*
- *Have held a full-time job for at least a year prior to applying*

In Addition

- *The home you wish to purchase must meet HUD Section 8 standards*
- *The home you wish to purchase must be the only home you own and you must occupy it*
- *A Deed of Trust will be filed with the appropriate county placing a 2nd mortgage on the home until the loan is paid in full*

Loan Terms

Down payment assistance loans may be used for closing costs, first year of homeowner's insurance premiums, refinance of existing high interest 2nd mortgages and home buyer education.

You must remain in your home. If you transfer the ownership of your home, move out or refinance your first mortgage, you must pay your down payment assistance loan off in full.

Interest rates will range from 1/2% to 1 1/2% depending on your income.

The home you purchase cannot be worth more than 95% of the area median purchase price of homes in the area as determined by FHA mortgage limits at the time of purchase.

CONGRATULATIONS ON THE PURCHASE OF YOUR NEW HOME!



Who is Eligible

Low to moderate income home buyers needing assistance with funds for closing costs, first year homeowner's insurance premium, and in some cases funding for the entire down payment.

# In Household	Maximum Income
1	\$31,500
2	\$36,100
3	\$40,600
4	\$45,150
5	\$48,700



Want Additional Information?

For more detailed information about South Central Council of Governments Down Payment Assistance Program contact:

John Anderson, Housing Director
South Central Council of Governments.
300 Bonaventure Ave.
Trinidad, CO 81082
719-845-1133 ext 208.
janderson@sccog.net



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Down Payment Assistance Loan Program

