

Douglas County Down Payment Assistance Program For First Time Home Buyers

Douglas County and The Bustin Team at RE/MAX Alliance is “spreading the word” regarding this exceptional home buying opportunity for **First Time Home Buyers who work in Douglas County**. This **multi Jurisdictional Housing Authority**, is a cooperative effort between businesses and local and county governments to address the **lack of affordable housing for people who work in Douglas County**. The **Douglas County Housing Partnership** operates with financial support from the jurisdictions of the **City of Lone Tree**, the **Town of Castle Rock**, the **Town of Parker** and **Douglas County** as a political subdivision and public corporation of the State of Colorado.

Here’s How It Works

This is a **First Time Home Buyer** program that combines a **down payment** (funded by **The Douglas County Housing Partnership**) of **5% of the purchase price (up to \$15,000)** with a thirty year fixed rate mortgage from one of **Douglas County’s** approved lenders. This **down payment of 5% of the purchase price** will be in the form of a second mortgage from **Douglas County**. Payments on this second mortgage begin immediately and the funds may only be used for down payment. Borrowers have a choice of either a 15 year loan which will carry an interest rate of three percent below the 10-year Treasury index (but no lower than 1%) or a 30 year loan term which will carry an interest rate of one percent below the 10-year Treasury index (but no lower than a 3% interest rate).

\$1,300 “Out Of Pocket” to Move In

The “out of pocket” expense will be **\$1,000 at closing, plus any “up front” costs paid before the loan closes (\$200 inspection fee and \$100 Douglas County Inspection Fee)**.

We, The Bustin Team, want to enhance this already fantastic program by “softening the costs” even more. To that end, we have worked out an arrangement with **Colorado Mortgage Alliance** to waive the appraisal fee (**\$400**). This is a real **\$400** savings and is being done from a public service point of view and a recognition that an on-going and high quality business will result. We, **The Bustin Team**, are providing a **\$250** gift card to **Lowe’s** at closing. This is a **\$650** benefit above and beyond the **Douglas County Down Payment Assistance Program**.

Don’t forget that the **First Time Home Buyer** will receive the **\$8,000 Federal Income Tax Credit from IRS**. After closing on the home and receiving the **\$8,000 tax credit**, the buyer will be ahead (cash wise) by **\$7,350 (\$8,000 less \$1,300 plus \$650)**.

Four Loan Scenarios

Using A 5% Of The Purchase Price Down Payment Assistance From The Douglas County Housing Partnership

	Property A	Property B	Property C	Property D
Purchase Price	\$250,000	\$200,000	\$150,000	\$125,000
5% Down Payment From Douglas County	<u>-\$12,500</u>	<u>-\$10,000</u>	<u>-\$7,500</u>	<u>-\$6,250</u>
New 30 Fixed Rate Loan	\$237,500	\$190,000	\$142,500	\$118,750
Monthly Payment On 1st and 2nd Mortgage	\$1,400	\$1,120	\$840	\$700
Monthly Taxes And Insurance (TI)	\$260	\$210	\$190	\$140
Monthly Payment (PITI)	\$1,660	\$1,330	\$1,030	\$840

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