



 glossary

Concession

Something given up or agreed to in negotiating the sale of a house. For example, the sellers may agree to help pay for closing costs.

Source: Federal Trade Commission

 did you know?

13%

Townhouse-condo sales are up 13 percent compared to August 2016.

Source: Colorado Association of Realtors, August 2017

 interactive intersection

True or False?

Your earnest money deposit and down payment are one in the same.

[Click here for answer.](#)

buying a fixer-upper? what to know when hiring a contractor

When purchasing an older home, one of the first things a buyer may do is start repairing and renovating. While many homeowners like to take the DIY route, some work might need the help of a professional. Keep the following tips in mind when it's time to hire a contractor:

- **Do your research.** Ask friends and family to recommend professionals who have done great work for them. Read reviews and check for any complaint history online. Sites like Angie's List, Better Business Bureau (BBB), Home Advisor, and Yelp offer reviews and other information.
- **Request at least three estimates.** Multiple bids will help you make an educated decision on the project overall and help you decide what's best for your needs.
- **Verify license, bonding, and insurance.** Request certificates of insurance and bonding which are designed to help protect you in cases of property damage, worker injury, and shoddy or incomplete work. Verify licensing, where applicable, to ensure the company meets industry requirements.
- **Verify permits.** Check with your city or county to confirm whether any permits are required. Then make sure your contractor adheres to these requirements.
- **Get everything in writing.** Request a detailed written contract. Ensure it has the company's contact information, work schedule, and important responsibilities clearly spelled out.
- **Don't pay in full up front.** If you need to make a down payment, avoid paying for more than one third of the job's total cost. If additional payments are required before the job is finished, make them in stages according to the work schedule.

To learn more, the [Federal Trade Commission offers other tips and guidance](#) on working with contractors.

Many prospective homebuyers are under the impression that to buy a home, they must be able to pay at least 20 percent of the purchase price as a down payment.

However, there are home mortgage programs that require as little as a 3 percent down payment. Not only that, but down payment assistance programs exist that can help cover some of the up-front costs associated with purchasing a home.

It is always important to remember that the more money you can put down up front, the lower your mortgage loan amount--and monthly payments--will be. If you decide to use an assistance program, work with your lender to compare costs over the life of the loan to see what options work best for you.

At CHFA, we offer two down payment assistance options: the CHFA Down Payment Assistance Grant, for up to 4 percent of the total first mortgage loan, and the CHFA Down Payment Assistance Second Mortgage Loan for up to 5 percent of the first mortgage loan. To learn more about assistance options, visit www.chfainfo.com/get-housed.



Colorado Housing and Finance Authority
www.chfainfo.com



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