



## 1<sup>st</sup> time home buying

### What to expect:

Your initial partnership application is reviewed and a credit report is pulled. If our Home Buyer Services Coordinator believes you are ready to pursue the next step you will be asked to provide proof of all the information on your application. Should there be any credit cleanup that needs to be done you will be asked to make those contacts and show proof that you have established those arrangements. This packet of information will be presented to our Home Buyer Selection Committee for review.

Once approved by this committee you will be asked to complete a qualification application with Habitat for Humanity of Colorado. This application along with your packet of financial information is forwarded to the loan originators at this office. They will request further documentation and notify me if they will be presenting you to the mortgage source or company.

Another loan application will be presented to the mortgage company) and they will request further documentation of your current financials. They will also be requesting may documents from HFHTC regarding the property they are financing. You will be notified in writing from the source providing the financing if you are approved or if they have disapproved you for a specific reason. Sometimes this may require you to do some more credit work or it may be the result of a change in your initial credit situation when you first made application. If you are approved, you will be scheduled for closing.

At closing, you will be expected to present:

- Down payment – approximately \$1000.00 (may be donated)
- Closing Costs – approximately \$200-\$500
- Homeowners Insurance Policy (you are required to purchase this policy in full before closing on your home loan - \$600 – 1500)
- Background check

### We expect you to:

- Do not make any major purchases – this will be questioned by the mortgage company and could jeopardize your approval to get a loan.
- Pay your bills on time each month going forward. A late payment will not look good to the mortgage company.
- Do not change employment status. Loss of job or change in employers will delay your loan approval.

### Other expectations we will make of you:

- Complete Sweat Equity prior to loan application – 400
- Complete Home Buyer Education Classes prior to loan application

The paper work is extensive but we will walk you through the process. Please understand we will be turning in your financial information continuously to the mortgage source up until closing on your property. Be prepared to provide whatever we ask for at any given time.

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