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The Colorado Home Buyer's Guide

Every step of buying a home in Colorado, in order, with the real numbers

Pre-approval · What the payment buys · Down-payment programs · The market by area · The search · The Buyers Advantage Report
Writing the offer · Inspection and appraisal · Closing costs · Special paths · The mistakes · The checklist

THE SIMPLE ANSWER

Get pre-approved first, search with alerts, run the comps on the exact home before you offer, map every deadline in the Colorado contract, then inspection, appraisal, loan, title and closing in 30 to 45 days. This guide walks each step with the numbers.

Prepared for Colorado buyers by

KENNA REAL ESTATE GROUP

The Hardest Working Group in Real Estate · Keller Williams Realty DTC, LLC · Centennial, Colorado

Call or text 303-955-4220

A live person answers during office hours: not a robot, not a phone tree. We will run the Buyers Advantage Report on any home in Colorado before you offer. Nobody sells you anything.

What is in this guide

Who this guide is for

First-time buyers who want the real cash-to-close number, move-up buyers juggling a sale, veterans, and anyone who has been told to just go look at houses. Every section ends with what to do next.

1. Pre-approved, not pre-qualified

Pre-qualified is a conversation. Pre-approved means the lender pulled your credit, documented your income and assets, and put a number in writing. Colorado listing agents read the difference in ten seconds, and in a multiple-offer weekend it decides who wins.

Bring two years of W-2s or tax returns, two months of bank statements, thirty days of pay stubs, ID, and any divorce decree or child-support order that touches income. Self-employed buyers bring two years of returns and a year-to-date profit and loss.

> **DO THIS FIRST**
>
> A complete file usually comes back in a day. Rate's Same-Day Mortgage can approve the same day. Mike Oswald at Rate does this for Kenna buyers; you may use any lender you like, and Kenna receives nothing for the introduction.

Credit Pull it now. A 40-point difference moves the rate and the program floor.

Income Two years of history, or a plan for what the lender will count.

Assets Where the down payment sits and how long it has been there.

Letter A written pre-approval with a payment you can see.

2. What the payment really buys

The purchase price is not the number that matters; the monthly payment is. Principal and interest, property tax, homeowner's insurance, HOA dues and mortgage insurance if you put less than 20 percent down.

Colorado tax rates vary by county and by metro district. A newer subdivision with a metro district can carry a mill levy that adds hundreds a month; it is on the county tax bill, not the listing. Hail country insurance is real: get quotes early, and ask the roof's age.

> **RULE OF THUMB**
>
> $300 a month in HOA dues or district taxes is roughly $50,000 of purchase price at today's rates. Two homes at the same price can be $400 a month apart.

Rate Locked at contract, usually 30 to 45 days.

Taxes County plus any metro district; ask for last year's bill.

Insurance Roof age and hail history drive the quote.

HOA and PMI Both count in qualifying.

3. Down payment programs that are real

Most Colorado buyers qualify for at least one: CHFA grants and deferred second loans statewide, metroDPA in the Denver metro, FHA at 3.5 percent down, VA at zero down with no monthly mortgage insurance, USDA at zero down outside the metro, conventional at 3 to 5 percent for strong credit, and $100 down on eligible HUD homes.

- **CHFA:** income limits by county; homebuyer class required; grant or deferred second.
- **metroDPA:** Denver metro cities; forgivable over time; stacks with FHA or conventional.
- **FHA:** 3.5 percent down, flexible credit, mortgage insurance for the life of the loan at low down payments.
- **VA:** zero down, no monthly MI, assumable; funding fee waived for disabled veterans.
- **HUD $100 down:** FHA owner-occupants on eligible HUD listings; see denver-hudhomes.com.

> **THE CATCH**
>
> Grants and deferred seconds have payback rules if you sell or refinance early. Read them before you count on the money.

4. The Colorado market, area by area

Where you shop changes everything: price per square foot, taxes, HOA culture, water, commute. The Denver metro (Denver, Aurora, Lakewood, Arvada, Westminster, Thornton, Littleton, Englewood, Centennial, Parker, Castle Rock, Highlands Ranch) is the deepest market. The north Front Range (Fort Collins, Loveland, Greeley, Windsor, Longmont, Boulder) runs its own cycle. Colorado Springs is the largest single city market and the most affordable for the square footage.

South metro Highlands Ranch, Castle Rock, Parker, Centennial: HOAs, metro districts, newer stock.

West Lakewood, Arvada, Golden, Evergreen: older homes, foothills, no-HOA neighborhoods.

North Fort Collins, Loveland, Greeley, Windsor: water rights, acreage, newer subdivisions.

Springs Colorado Springs, Monument, Black Forest: military, wells and septic east of town.

5. The search that finds homes first

Every home on kennarealestate.com comes straight from the MLS and updates through the day. Save a search on the map with your filters and new listings text you the day they hit. In most Front Range cities a well-priced home goes under contract in the first two weekends.

Read days on market and price history. A home past 30 days is usually a price problem, and that is your opening. A home with two price cuts is a seller getting realistic.

> **KENNA LISTINGS FIRST**
>
> Kenna Real Estate Group listings and coming-soon homes show on the agents' pages before the portals catch up. Ask your agent to put you on the list.

6. The showing and the Buyers Advantage Report

Before you write on any home, we run the Buyers Advantage Report: three to six true comparables, concessions netted out, days on market and price history, and a written offer range. It is free on any listing from any brokerage. You see the number, then you decide.

At the showing, look at the things the photos hide: roof, furnace and water-heater labels, the electrical panel, the sewer cleanout, water stains, windows, grading and drainage, and the neighbors' roofs after the last hail season.

7. Writing the offer in Colorado

The Colorado contract is deadline-driven. Price and earnest money matter, but the dates decide your protection: inspection objection, inspection resolution, appraisal, loan objection, title, HOA documents and closing. A clean, realistic timeline often beats a slightly higher price.

Price From the report, not the list price.

Earnest money Usually 1 percent, held at title, protected by the deadlines.

Concessions Seller-paid closing costs; often worth more than a price cut.

Dates Every deadline on the calendar before you sign.

MULTIPLE OFFERS

Escalation clauses, appraisal-gap coverage and a strong pre-approval win more often than waiving inspection. We show you where the line is.

8. Under contract: inspection, appraisal, loan

Inspection first, usually within 7 to 10 days. You can ask for repairs, credits or a price change, or walk away with your earnest money by the objection deadline. Sewer scope and radon are worth the extra fee in Colorado.

Then the appraisal. If it comes in low you renegotiate, cover the gap, or exit by the appraisal deadline. Then the loan is finalized: no new credit, no big purchases, no job changes until keys.

Inspection General plus sewer scope and radon.

Appraisal Ordered by the lender after inspection resolution.

Title Commitment reviewed; easements and liens.

HOA Covenants, dues, reserves, assessments, rental rules.

9. Closing costs and cash to close

Plan on 2 to 3 percent of the price for closing costs on top of the down payment: lender fees, title and closing fees, prepaid taxes and insurance, and escrow setup. Seller concessions and program help offset them. The lender's loan estimate is the honest number; we go through it line by line.

WORKED EXAMPLE

$450,000 home, FHA at 3.5 percent: $15,750 down, about $11,000 in closing costs and prepaids, less a $9,000 seller concession and a $10,000 CHFA second. Cash to close near $8,000. Your numbers will differ; the method does not.

10. Special paths

HUD homes $100 down for FHA owner-occupants; 15-day owner-occupant window; see denver-hudhomes.com.

New construction Builder incentives, lender credits, and a contract that is not the Colorado standard form.

Patio and 55+ Main-floor living; HOA dues and age rules change the payment and the resale.

Horse property Zoning, well permit and acreage loans; see kennarealestate.com/horse-properties-for-sale.

Divorce and estates Two sellers, court orders, and timing; see the divorce pages.

Buying before selling Contingency, bridge or qualifying for both.

11. The mistakes that cost buyers money

- **Shopping before the pre-approval.** You fall for a house you cannot close on, or lose it to a buyer who was ready.
- **Ignoring the metro district.** Hundreds a month on the tax bill, not the listing.
- **Skipping the HOA documents.** Special assessments, rental caps and pet rules live there.
- **Waiving inspection to win.** Sometimes right, often a $15,000 sewer line later.
- **Big purchases before closing.** A new truck on credit can kill the loan the week before keys.
- **Wiring money from an email.** Verify wire instructions by phone with the title company, every time.

The checklist, and who to call

Pre-approval letter in hand, real payment agreed on

Saved search set with alerts on the map

Buyers Advantage Report on any home before you offer

Offer: price, earnest money, concessions, every deadline mapped

Inspection scheduled inside the objection window

Appraisal and loan objection dates on the calendar

HOA documents and covenants read before the deadline

Homeowner's insurance quoted early

Final walk-through the day before closing

Wire instructions verified by phone; no new credit until keys

30-45
DAYS FROM CONTRACT TO KEYS ON A FINANCED PURCHASE

2-3%
OF THE PRICE FOR CLOSING COSTS BEFORE CONCESSIONS

1%
TYPICAL EARNEST MONEY, PROTECTED BY THE DEADLINES

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PHONE NUMBER: 303-955-4220

ONE NUMBER

Call or text 303-955-4220. A live person answers; you get a name and a direct line the same day. Every agent in the Kenna Real Estate Group works from this playbook, with Brian Lee Burke, REALTOR® since 2002, as the employing broker on every file. kennarealestate.com