



THE HERO HOMEREACH ADVANTAGE

How **Colorado Heroes** Stack Grants & Forgivable Loans to Unlock Up To **\$67,000** in Combined Down Payment Grants and Seller Assistance

STRATEGIC GUIDANCE 

BUDGET PLANNING 

ZERO-DOWN OPTIONS 

HOW TO GET PREQUALIFIED 

PROGRAM OPTIONS 



ABOUT MANDATORY REQUIREMENTS

Before you can unlock the door to **Down Payment Assistance (DPA)**-whether it's a state grant, a forgivable loan, or a local program-you must complete an **approved Homebuyer Education (HBE) course**.

This is a non-negotiable step that applies to nearly all major DPA programs in Colorado.

1. The Universal Requirement The certificate proving completion of an HBE course acts as a gatekeeper for multiple types of assistance across the state.

State Programs: It is required for all Colorado Housing Finance Authority (**CHFA**) programs, including the DPA Grant and Second Mortgage options. **Regional**

Programs: It is required for programs like **MetroDPA** and the **Douglas County Housing Partnership (DCHP)**. It is also a requirement for the **Fannie Mae HomeReady** and **Freddie Mac Home Possible** conventional loans, and sometimes for the **Chenoa Fund**

The good news is that typically, a **single HBE certificate** is sufficient to satisfy the requirement for CHFA, MetroDPA, and DCHP simultaneously.

2. Course Options and Certification

To be valid for these programs, the class must be approved by either the Colorado Housing Finance Authority (**CHFA**) or the U.S. Department of Housing and Urban Development (**HUD**).

HBE Option | Cost | Duration & Content | Benefit |

Online Course | Approximately \$75 - Self-paced (6-8 hours) | Immediate certificate upon completion. Available through providers like Framework Homeownership and eHome America.

In-Person Class | **FREE** | 6-8 hours (often a single day) | Provides interactive Q&A and networking opportunities. Offered by local housing counseling agencies.

The course content is extensive, covering everything from budgeting and credit scores to understanding PITI (Principal, Interest, Taxes, and Insurance) and avoiding foreclosure

To use this to your advantage, take the course 4 to 6 months before you plan to actively start looking at homes (the "Home Search" phase)

01 ARE YOU A HERO?

THE TERM "HERO" IS BROADLY DEFINED ACROSS SEVERAL PROGRAMS TO INCLUDE VARIOUS **ESSENTIAL WORKERS**

The **Teacher Next Door Program** offers the most **significant strategic advantage** because its grant component can **eliminate the need for any cash from your personal savings at closing.**

Qualifying Vocations for Homebuyer Programs

Program	Qualifying Vocations	
Teacher Next Door (TND) 	<ul style="list-style-type: none"> Teachers (K-12, pre-K), School administrators, School staff, Nurses, Police and Military families 	Nurses, officers, Firefighters, EMTs, Government employees,
Homes for Heroes (HfH) 	<ul style="list-style-type: none"> Military (active/veteran/reserves), Firefighters, EMS/EMTs, Law enforcement, Nurses, Healthcare workers, and Teachers 	
HUD Good Neighbor Next Door (GNND) 	<ul style="list-style-type: none"> Law enforcement officers, Teachers (pre-K through 12), Firefighters, and EMTs 	
NeighborhoodLIFT 	<ul style="list-style-type: none"> Essential workers, including first responders, teachers, and military service members 	
Colorado Community Hero Program 	<ul style="list-style-type: none"> Firefighters, K-12 teachers, law enforcement officers, healthcare professionals, and active or retired military members 	

02

THE CREDIT LADDER

YOUR SCORE UNLOCKS THE DOOR

DPA Program FICO & Strategy Comparison

Program/Strategy 	Minimum Required FICO Score 	Strategic Advantage Unlocked 
Chenoa Fund	600	<ul style="list-style-type: none">• Safety net option; lowest lowest credit threshold; no income limits.
CHFA (All programs)	620	<ul style="list-style-type: none">• Access to state-backed grants (3%) or deferred loans (4%).
Fannie Mae HomeReady	620	<ul style="list-style-type: none">• Access to conventional financing with cancellable Private Mortgage Insurance (PMI).
MetroDPA (FHA/VA/USDA)	660	<ul style="list-style-type: none">• Required minimum to access the highest available DPA (up to 6% forgivable).
Freddie Mac Home Possible	660	<ul style="list-style-type: none">• Access to 3% down conventional financing with PMI cancellation option.

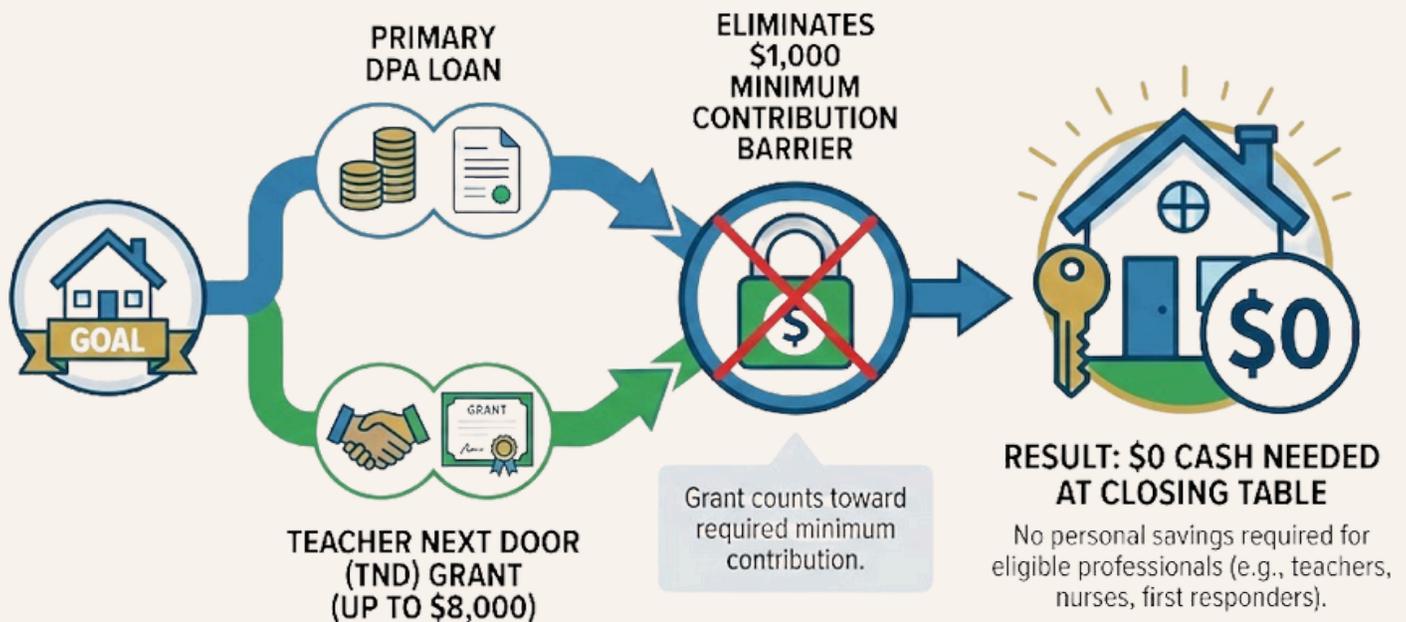
03 THE “NON-NEGOTIABLE” \$1,000 RULE

THE SINGLE MOST CRITICAL FINANCIAL HURDLE, APART FROM CREDIT AND EDUCATION, IS THE **MINIMUM REQUIRED BORROWER CONTRIBUTION**.

BUT WAIT!

The ultimate goal for many savvy DPA buyers is achieving a **true \$0 cash** needed from savings at the closing table. The key to bypassing the \$1,000 minimum contribution lies in **stacking the primary DPA loan** with a **specialized grant**.

ACHIEVING TRUE ZERO-CASH-OUT-OF-POCKET



In an optimal **stacking scenario** for an eligible professional (like a teacher, nurse, or first responder), the **\$8,000 TND grant** covers the required minimum contribution, **eliminating the need for any cash** from the buyer's personal savings. This allows the buyer to **close with \$0 cash out-of-pocket**.

04 THE STATE CORNERSTONE: CHFA

UNLOCKING GRANTS AND DEFERRED LOANS UP TO \$25,000

ARE YOU ELIGIBLE?

- ✓ **Educators:** K-12, Pre-K, Admin, Staff.
- ✓ **Medical:** Nurses, EMTs, Healthcare Pros.
- ✓ **Protectors:** Police, Fire, Military (Active/Vet).
- ✓ **Government:** City/County employees.



DPA Grant vs. Second Mortgage Loan: A Quick Comparison

	 Option A: DPA Grant	 Option B: Second Mortgage Loan
 Max Assistance	<ul style="list-style-type: none"> Up to the lesser of \$25,000 or 3% of your first mortgage amount. 	<ul style="list-style-type: none"> Up to the lesser of \$25,000 or 4% of your first mortgage amount.
 Repayment Status	<ul style="list-style-type: none"> NONE – This is a true grant and is never repaid. 	<ul style="list-style-type: none"> Deferred – No monthly payment is required.
When Repaid	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> Repayment of the loan balance is due when you sell the home, refinance your first mortgage, or if the home is no longer your primary residence.
Interest Rate Impact	<ul style="list-style-type: none"> Typically results in a slightly higher interest rate on your first mortgage loan. 	<ul style="list-style-type: none"> Provides more upfront cash, but may carry higher interest rates.

05

THE INCOME MYTH

“*But I make too much money!*”

CHFA programs are designed for **low-to-moderate income buyers**, but the limits are set high enough to accommodate many **middle-income households**, particularly within the target range of **\$50,000 to \$100,000**.

Douglas County CHFA Program Limits & Strategic Notes (April 2024)

Program Type		Income & Price Limits / Strategic Note		
FirstStep / FirstGeneration	Ranges from \$100,000 to \$174,440 (varies by household size)	Targeted Douglas County Price: \$510,400	<ul style="list-style-type: none">programs often with FHA/VA loans; can include the FirstGeneration Plus option (full \$25,000 max regardless of loan amount).	
SmartStep / Preferred	SmartStep up to \$126,200	\$806,500	<ul style="list-style-type: none">Use SmartStep if you need a higher purchase price limit or are using a conventional loan.	 



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THE FORGIVENESS CHAMPION: METRODPA

SECURING UP TO 6% ASSISTANCE FORGIVEN IN JUST 3 YEARS

To qualify for the superior **6% MetroDPA** stack, a borrower must meet stricter requirements, especially concerning credit:

Requirement / Strategic Note	MetroDPA Rule
 Minimum FICO Score	<ul style="list-style-type: none">• 640 minimum (660 recommended for optimal FHA/VA access).
 Income Limit	<ul style="list-style-type: none">• Very high maximum, up to \$210,150 (comfortably includes middle-income and those exceeding CHFA limits).
 First-Time Buyer Status	<ul style="list-style-type: none">• NOT required (Repeat buyers and previous homeowners are eligible).
 Mandatory Education	<ul style="list-style-type: none">• Must complete a HUD- or CHFA-approved homebuyer education class (Certificate satisfies CHFA/DCHP requirements).
 Purchase Price Limit	<ul style="list-style-type: none">• No purchase price limits (Offers flexibility, must abide by county loan limits).

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THE INCOME BYPASS: CHENOA FUND

SECURING FORGIVABLE DPA WITH NO INCOME LIMITS

Down Payment Assistance (DPA) up to 5% of the loan amount with **key flexibilities** that **bypass the restrictions** of many government-backed state programs.

Requirement / Strategic Note	MetroDPA Rule
 Minimum FICO Score	<ul style="list-style-type: none">• 640 minimum (660 recommended for optimal FHA/VA access).
 Income Limit	<ul style="list-style-type: none">• Very high maximum, up to \$210,150 (comfortably includes middle-income and those exceeding CHFA limits).
 First-Time Buyer Status	<ul style="list-style-type: none">• NOT required (Repeat buyers and previous homeowners are eligible).
 Mandatory Education	<ul style="list-style-type: none">• Must complete a HUD- or CHFA-approved homebuyer education class (Certificate satisfies CHFA/DCHP requirements).
 Purchase Price Limit	<ul style="list-style-type: none">• No purchase price limits (Offers flexibility, must abide by county loan limits).

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THE \$67,000 STACKING FORMULA

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For an eligible essential worker (a "Hero") buying a home in **Colorado**, the **optimal stacking strategy** can yield combined **financial benefits** reaching up to **\$67,000** on a \$400,000 home. Crucially, this strategy achieves the goal of requiring **\$0 cash out-of-pocket** from the buyer's personal savings.

THE OPTIMAL STACK PREREQUISITES

Prerequisites for the Ultimate FHA + Chenoa Fund Stack (The "Hero" Strategy)

Prerequisite	Why It's Required (Strategic Rationale)
 Hero Status	<ul style="list-style-type: none">• Must qualify for the Teacher Next Door (TND) Program (e.g., teacher, nurse, police, military).
 FICO Score	<ul style="list-style-type: none">• Must meet the 600 minimum required by Chenoa Fund, as this allows access to the forgivable component when combined with FHA.
 Loan Type	<ul style="list-style-type: none">• Must use an FHA loan, as it requires only a 3.5% down payment and allows the maximum 6% seller concession.

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THE \$67,000 MAXIMUM ASSISTANCE BREAKDOWN

This scenario uses a **\$400,000** home purchase as an example, requiring a **\$14,000 down payment (3.5% FHA)**. The combined sources exceed the total required down payment and closing costs, providing a **substantial surplus** for principal reduction or reserves.

THE OPTIMAL STACK PREREQUISITES

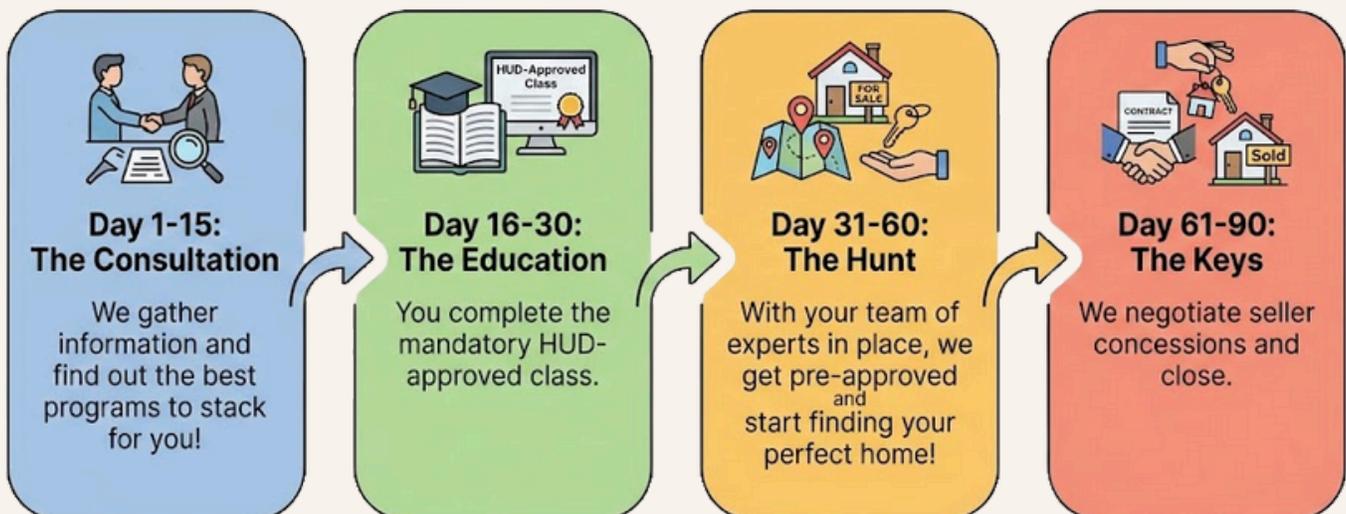
Ultimate FHA + Chenoa Fund Stack (The 'Hero' Strategy) - Financial Breakdown (Example on \$400K Home)			
Assistance Component	Amount (on \$400K Home)	Description & Strategic Value	Citation
Teacher Next Door Grant 	\$8,000	True Grant: Never repaid. Strategic Value: Covers the mandatory \$1,000 minimum borrower contribution required by most DPA programs.	
Teacher Next Door DPA 	\$15,000	Additional Down Payment Assistance (DPA) component.	
Chenoa Fund 	\$20,000 (5%)	Forgivable Loan: Eliminates the debt after 36 consecutive on-time payments on the first mortgage.	
Seller Concessions 	\$24,000 (6%)	Maximum cash the seller is legally allowed to pay toward your closing costs under FHA rules.	
Total Combined Benefit 	\$67,000 (16.75% of Price)	Covers the \$14,000 down payment and provides a \$53,000 surplus to pay closing costs and reserves.	

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THE ROADMAP

You now possess the **foundational knowledge** needed to navigate Down Payment Assistance (DPA) programs in Colorado, from understanding the **\$1,000 minimum borrower** contribution to aiming for the **\$67,000 maximum stacking benefit**.

Your Hero HomeReach Journey: From Consultation to Keys



Professional Guidance Every Step of the Way. Hero HomeReach.

TIME TO STOP RENTING. START
OWNING.

NEXT STEPS

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ABOUT HERO HOMEREACH

Let's get you home

HomeReach™ was founded on a **simple belief**: Colorado's teachers, first responders, healthcare workers and military personnel shouldn't have to wait years to **afford a home** in the communities they serve.

So we created **Hero HomeReach™** to change that.

Our mission is **simple**: Help Colorado's heroes unlock the home buying benefits they've earned through **clear education, personalized guidance, and expert support.**

SCHEDULE YOUR 30-MINUTE CONSULTATION YOUR "HERO STRATEGY SESSION"

YOUR UNIQUE PATH HOME BEGINS HERE.

We covered a lot, but your situation is unique. In just 30 minutes, we can:



SCHEDULE YOUR FREE 30-MINUTE CONSULTATION NOW.

Professional Guidance. Personalized Strategy. Hero HomeReach.