



HOW TO BUY A HOME



STEPS TO BEGIN THE PROCESS TODAY

1. **DETERMINE WHICH USDA HOME LOAN PROGRAM YOU QUALIFY FOR USING:**
SINGLE FAMILY HOUSING CONSTRUCTION/LOAN PARAMETERS- LAKE COUNTY 2018
2. **FOLLOW THE STEPS BELOW FOR THE PROGRAM YOU QUALIFY FOR.**

USDA DIRECT LOAN PROGRAM

1. COMPLETE PRE-QUALIFICATION SHEET WITH **USDA** AND BE UTILIZING A FREE CREDIT MONITORING TOOL LIKE **CREDIT KARMA**
2. IDENTIFY MAXIMUM LOAN AMOUNT WITH **USDA**
3. APPLY FOR LOAN
4. CONTACT REALTOR FOR LISTINGS OR WORK WITH CONTRACTED BUILDER
5. SUBMIT PURCHASE AGREEMENT TO **USDA**
6. PURCHASE HOME / CLOSE LOAN

USDA GUARANTEE LOAN PROGRAM

1. COMPLETE PRE-QUALIFICATION SHEET WITH **LENDER**
2. IDENTIFY MAXIMUM LOAN AMOUNT WITH **LENDER**
3. APPLY FOR LOAN
4. CONTACT REALTOR FOR LISTINGS OR WORK WITH CONTRACTED BUILDER
5. SUBMIT PURCHASE AGREEMENT TO **LENDER**
6. PURCHASE HOME / CLOSE LOAN



Rural Development

Single Family Housing Construction/Loan Parameters-Lake County 2018

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Direct Loan Program (USDA Lender)

- **Funding 2018 \$1.1 Billion 10% Increase over 2017**
- **Subdivision Or Scattered Site**
- **Developer Must Finance Site Development Work**
- **Minimum Lot-Lot** cannot be subdivided under current zoning; most lots are small subdivision or an acre or less. Can be larger.
- **Septic/Well or Public Utilities**
- **No Swimming Pools Allowed**
- **House Size-Must Be Less Than 2,000 Sq. FT.** Typical Sizes 1,200 sq. ft. 3 br. 2 ba; 1,400-1,500 sq ft.3 or 4 2ba; 1,500- 1,900 Sq. Ft-4 or 5 br 2 ba
- **Warranty-2-10 Builders Warranty,**
- **Plans** Approved by USDA RD after Signed by Lead Agency: City or County
- **Construction Take Out Loans or Construction Loans**
- **Loan Limit:** Lake County-\$352,000.00 or Appraised Value.
- **100% Loans To Borrowers:** No Down Payment Required
- **Loan Subsidy:** Can Buy Current rate of 3.75% down to 1% expanding borrowers Loan Amount
- **Underwriting Parameters:** 640 Credit Score or Greater; 29/41 PITI and TD ratios; Stable Income
- **Income Limits Lake County (80%MHI):** 1-4 Per Hsld-\$47,900; 5-8 per Hsld-\$63,250

Guarantee Program (Lender Makes Loan-USDA Provides 90% Guarantee)

- **2018 Budget-\$24 Billion Nationally same as 2017**
- **Subdivision Or Scattered Site**
- **Developer Must Finance Site Development Work**
- **Minimum Lot-Lot** cannot be subdivided under current zoning; most lots are small subdivision or an acre or less. Can be larger.
- **Septic/Well or Public Utilities**
- **House Size-No Home Size Restriction**
- **Warranty-2-10 Builders Warranty,**
- **Plans** Approved by Lender after Signed by Lead Agency: City or County
- **Construction Take Out Loans or Construction Loans; Single Close Construction Loan**
- **Loan Limit-Appraised Value and loan parameters Determine Max Loan Amount**
- **100% Loans To Borrowers:** No Down Payment Required
- **Interest Rate Set By Lender-No Subsidy**
- **Underwriting Parameters:** 640 Credit Score or Greater; 29/41 PITI and TD ratios; Stable Income
- **Income Limits Lake County (115% MHI):** 1-4 Per Hsld-\$78,200; 5-8 per Hsld-\$103,200

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USDA is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.