A FREE GUIDE FROM ANTONIO RUBIO · TU CASA

The Complete Guide for First-Time Home Buyers

Loans, down payments, inspections, and negotiating — everything before you make an offer.

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BEFORE YOU START READING

A Note From Antonio

Buying your first home is one of the biggest financial decisions you'll ever make — and most of what determines whether it goes well has nothing to do with luck. It comes down to knowing which questions to ask, in what order, and before which deadline.

This guide walks through everything a first-time buyer actually needs: what to do before you start looking, the loan programs that let most people buy with far less than 20% down, the inspection checklist, how to negotiate, and the mistakes that trip up first-timers most often. Nothing here replaces the advice of a licensed lender, inspector, or attorney for your specific situation — think of it as the conversation we'd have over coffee before you write an offer.

— Antonio Rubio, CalDRE #01472558

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1. Six Things to Do Before You Start Looking

Doing these in order saves months of frustration later.

- **Check your credit, early —** Pull it months before you plan to buy. Errors are common and take time to correct, and small score changes move your rate more than most people expect.
- **Know your real monthly number —** Not just the mortgage — taxes, insurance, and HOA dues if there are any. Compare that total to what you pay in rent today. That comparison is the actual decision.
- **Save beyond the down payment —** Closing costs commonly run 2–5% of the price, plus inspections, moving, and the first round of repairs. Assistance programs can offset some of it (see Chapter 3).
- **Gather your paperwork —** Two years of tax returns, recent pay stubs, bank statements, and ID. If you're self-employed or paid seasonally, this matters more, not less.
- **Don't open new credit —** No new cars, credit cards, or big financed purchases between pre-approval and closing. This derails more loans than almost anything else.
- **Separate needs from wants —** Write both lists down before you tour anything. It's the most reliable defense against falling for a house that doesn't actually fit your life.

2. Understand Your Loan Options

The biggest myth in this business is that you need 20% down. For most first-time buyers, you don't.

Program	Down Payment	Best For	Key Notes
VA	$0	Veterans & active duty	No monthly mortgage insurance. A one-time funding fee usually applies and can often be financed.
USDA Rural	$0	Rural & small-town buyers	Property must sit in a USDA-eligible area — more of most regions qualifies than people assume. Household income limits apply.
FHA	3.5%	Flexible credit profiles	3.5% down with a 580+ credit score, or 10% down for scores between 500–579. Gift funds from family are allowed.
Conventional	From ~3%	Stronger credit profiles	Mortgage insurance can usually be removed once you build equity. Often the cheapest long-term option if you qualify.

Eligibility, rates, limits, and program funding are set by lenders and government agencies, change regularly, and vary by county and by borrower. Nothing above is a commitment to lend or a guarantee you'll qualify — a licensed lender confirms what actually applies to you.

3. Down Payment & Closing-Cost Help Actually Exists

You may not need to save the whole thing yourself. California runs down-payment and closing-cost assistance programs that can sit on top of an FHA, VA, or USDA loan. CalHFA MyHome, CalHFA's Dream For All shared-appreciation loan, and GSFA Platinum are the best known, and a participating California lender can tell you in one conversation which of them you qualify for. Two things worth knowing up front: Dream For All runs in limited voucher rounds rather than year-round, and GSFA Platinum is not restricted to first-time buyers.

Two things people consistently get wrong

• Funding for these programs opens and closes. Always confirm current status with a participating lender before relying on a number you read online.

• “First-time buyer” usually just means you haven't owned a home in the past three years, so plenty of previous owners requalify without realizing it.

- **Free HUD-approved housing counseling —** Available nationwide, including bilingual counselors in many areas, through the Consumer Financial Protection Bureau's counselor finder and HUD's own state directories.
- **NAHREP —** The National Association of Hispanic Real Estate Professionals publishes an annual State of Hispanic Homeownership Report and a wealth-building framework aimed at first-generation buyers.

Your First-Time Buyer Roadmap	
1	**Free Consultation** Your income, savings, and timeline — and an honest answer about whether now is your moment.
2	**Talk to a Lender** Where guessing becomes knowing. You learn your real budget and which programs fit you.
3	**Get Pre-Approved** The letter that makes your offer credible. Without it, most sellers won't take you seriously.
4	**Search & Tour** Alerts matched to what you actually want, and someone pointing out the roof, not just the paint.
5	**Write the Offer** Price is one term. Contingencies, timelines, and credits are where deals are really won.
6	**Inspections** Inspection, appraisal, and disclosures, read together — renegotiated if something real turns up.
7	**Loan & Escrow** Someone chasing lender, escrow, and title so deadlines hold and nothing surprises you.
8	**Close & Move In** Final walkthrough, signing, funding, recording. Then the keys are yours.

4. How to Read the Market — Three Numbers That Matter

Days on Market

How long homes sit before going under contract — the clearest single read on urgency. Falling numbers mean buyers are competing; rising numbers mean sellers are waiting and there's more room to negotiate.

Months of Inventory

How long it would take to sell every listed home at the current pace. Under about 4 months generally favors sellers, 4–6 months is roughly balanced, above 6 months generally favors buyers.

Rates & the Payment

Price gets the headlines, but the monthly payment is what you actually live with, and rates move it more than most people expect. The real question isn't “is it a good time to buy” in the abstract — it's what a specific house costs you per month against what you're paying in rent right now.

5. What a Home Inspection Really Covers

A home may look perfect at a showing and still hide problems that cost thousands after closing. Average cost sits in the low hundreds of dollars; skipping it to save that money is usually a mistake on the largest purchase most families ever make.

- **Roof & attic —** Decking condition, staining from leaks, structural framing, ventilation, and insulation.
- **Foundation & structure —** Weight-bearing components, visible cracking, and signs of settling or movement.
- **Grading & drainage —** Soil should slope away from the house. Pooling water near the foundation predicts moisture problems later.
- **Electrical & plumbing —** Panel condition, visible wiring, supply lines, leaks, corrosion, and outdated materials.
- **HVAC & interior —** Age and function of heating/cooling, plus doors, windows, floors, and signs of past water intrusion or pests.

Worth remembering

• An inspection is not the same as an appraisal. An appraiser estimates market value; an inspector evaluates physical condition. You need both.

• Standard inspections generally don't test for mold, asbestos, radon, or water quality — ask about ordering those separately if warranted.

• Attend the inspection if you can. It lets you ask questions in real time, not just read about them in a report.

• Even new construction can have defects. “New” is not a substitute for an inspection.

6. How to Negotiate Your First Offer

- **Know your market first —** A lowball offer in a seller's market can offend; a too-cautious offer in a buyer's market leaves money on the table. Base your number on comparable sales.
- **Read days-on-market as leverage —** A home listed a week ago is a different conversation than one sitting 60+ days with a price cut already.
- **Skip the round number —** An offer tied to actual comps reads as calculated and gets taken more seriously than an obvious round figure.
- **Lead with your pre-approval —** A strong, verified pre-approval letter is often the single most persuasive thing in your offer packet.
- **Negotiate the whole deal, not just price —** A rate buydown or seller-paid closing costs can be worth more to you monthly than an equivalent price cut.
- **Use the inspection as a second negotiation —** Major findings justify repair credits or a further price adjustment — bring contractor estimates to back up the ask.
- **Set a walk-away number and hold it —** A buyer with a clear maximum negotiates from strength. A buyer emotionally locked into one house negotiates from weakness.

7. Mistakes First-Time Buyers Make

- **Skipping pre-approval —** Touring without it wastes your time and weakens every offer you make.
- **Assuming you need 20% down —** Most first-time buyers put down far less, and several programs allow 0–3.5%.
- **Underbudgeting for total ownership cost —** Taxes, insurance, maintenance, and the first year's inevitable repairs add up well beyond the mortgage payment.
- **Opening new credit before closing —** A new car or credit card between pre-approval and closing can derail financing entirely.
- **Waiving or rushing the inspection —** It's the step designed to protect you from the biggest hidden costs of the purchase.
- **Falling in love before checking the numbers —** The easiest part of buying a home is loving it. The hard part is confirming it fits your budget.
- **Not exploring assistance programs —** Many qualified buyers never ask, and simply assume they don't qualify.
- **Accepting the first rate quote —** Rates and fees vary meaningfully between lenders — it's worth comparing more than one.

8. What's Different About Buying a Home in California

Most home-buying advice online is written for the whole country. California runs on its own rules, and a handful of them change what you should expect at the closing table here in Yuba-Sutter.

Your property tax is based on what you paid

Under Proposition 13 a home is reassessed when it changes hands, so your tax bill is built on your purchase price — not on the seller's older, lower one. Budget roughly 1.1% to 1.25% of the purchase price a year for Yuba and Sutter County properties, including voter-approved bonds. Ask for the exact rate by address before you write the offer, because it varies by tax-rate area.

The supplemental tax bill nobody warns you about

Because that reassessment happens after you close, the county sends a separate one-time supplemental bill weeks or months later, covering the difference between the seller's assessment and yours. It is not in your impound account and your lender will not pay it for you. It surprises more first-time buyers in California than any other single cost — set money aside for it the day you close.

Mello-Roos and special assessments

Newer subdivisions — Plumas Lake most notably in our area — sit inside Community Facilities Districts that add a Mello-Roos charge on top of the regular property tax, paying for the roads, schools and infrastructure that made the neighborhood possible. It is set per parcel, so two houses on the same street can differ. Check the exact address, never the general area.

Flood zone is a Yuba-Sutter question, not a formality

Our region sits behind levees near the confluence of the Feather, Yuba and Bear rivers. Flood zone designation changes parcel by parcel and drives both the cost of insurance and whether a lender will finance at all. Get the determination by address early in your contingency period, and get a real insurance quote before you remove contingencies — not after.

California's disclosure package is the strongest in the country

- **Transfer Disclosure Statement (TDS) —** The seller's statutory statement about the condition of the property and the defects they know about. Required on nearly every residential resale.
- **Natural Hazard Disclosure (NHD) —** A separate report telling you whether the property sits in a flood, fire, earthquake fault, seismic or dam-inundation zone.
- **Seller Property Questionnaire (SPQ) —** The longer set of questions: repairs, insurance claims, work done without permits, neighborhood disputes.
- **And several more —** Homes built before 1978 carry a federal lead-based paint disclosure. Sellers must also deliver the state's Megan's Law notice and disclose a death on the property within the past three years. Read every page inside your contingency period — the window to act is short.

Two more California habits worth knowing

• California closes through escrow, not through an attorney: a neutral escrow company holds the money and title insurance protects your ownership.

• The standard California contract runs inspection, appraisal and loan contingencies for 17 days unless you negotiate otherwise. That clock starts at acceptance, so line up your inspector before you write the offer.

Summary of California rules as of 2026. Rates, disclosure requirements and contract terms change. Confirm the details for your own purchase with your agent, escrow and a CPA.

9. Buyer FAQ — The 10 Questions Asked Most

Can I really buy with zero down?

Sometimes, yes. VA loans allow zero down for eligible veterans, active-duty members, and qualifying surviving spouses. USDA rural loans allow zero down for qualifying buyers in eligible areas — more of most regions qualifies than people realize.

How much do I need for an FHA loan?

Generally 3.5% down with a 580+ credit score, or 10% for scores between 500 and 579. FHA also allows gift funds from family.

What credit score do I need?

It depends on the program, and lenders add their own requirements on top. Pull your credit with a lender and find out in one conversation rather than guessing.

Do I have to be a first-time buyer to get assistance?

Often not. Most programs define it as not having owned a home in the last three years, so plenty of past owners requalify.

What are closing costs, and who pays them?

Lender fees, appraisal, title, escrow, recording, and prepaid taxes and insurance. For a buyer they commonly run about 2–5% of the price. A negotiated seller credit can sometimes cover part of them.

What is earnest money, and can I lose it?

A good-faith deposit into escrow when your offer is accepted, credited toward your purchase at closing. Cancel within your contract's contingencies and it's generally refundable; walk away outside them and it can be at risk.

How long does the whole thing take?

Once an offer is accepted, a financed purchase typically closes in about 30–45 days. Finding the right home is the unpredictable part.

Do I need pre-approval before looking?

Practically, yes. It tells you your real budget and makes your offer credible.

What does it cost to work with a buyer's agent?

Compensation is negotiable and agreed in writing before representation begins.

Is buying an investment property different?

Yes — larger down payment and different loan terms. See the companion guide on Second Homes & Investment Property.

VERIFIED RESOURCES

Check All of This Yourself

Every program named in this guide is real, currently operating, and run by the agency listed below. These links go to the official source — not to me, and not to a sign-up form. Verified September 2026.

CalHFA — MyHome & Dream For All www.calhfa.ca.gov/homeownership/programs/index.htm

GSFA Platinum assistance www.gsfahome.org/programs/dpa/platinum.shtml

Find a HUD-approved housing counselor (free) www.consumerfinance.gov/find-a-housing-counselor/

USDA property eligibility map eligibility.sc.egov.usda.gov/

VA home loan benefits www.va.gov/housing-assistance/home-loans/

Check any California real estate licence dre.ca.gov — licence lookup

NAHREP — Hispanic homeownership research nahrep.org/

Programs, funding and rules change, sometimes mid-year. If a page below has moved or a program has closed, that is the moment to call rather than assume — and it is exactly the kind of thing I keep track of for the people I work with.

ABOUT YOUR GUIDE

Antonio & Ana Rubio

Since 2005 I've helped families across Yuba City, Marysville, and the greater Yuba-Sutter region buy and sell real estate, in both English and Spanish. I work alongside my daughter Ana, a licensed agent since 2016, as a father-daughter team. Our promise is simple: we treat your move with the same care we'd want for our own family.

Find Antonio — Everywhere He Works

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HOW THIS SERIES WORKS

The Five-Guide Library

Each guide stands on its own, but they are built to be read together — most people move through more than one stage of property ownership in their life. Here is the whole library, and where the guide in your hands sits in it.

The Antonio Rubio Guide Library	
1	**The First-Time Home Buyer Guide** Loans, down payments, inspections, and negotiating your first offer. YOU ARE READING THIS ONE
2	**Second Home & Investment Property Guide** How rentals are financed and how to run the numbers before you buy.
3	**Selling Your Home Guide** Pricing with evidence, preparing, marketing, and negotiating the whole offer.
4	**Land, Acreage & Building Guide** Water, septic, zoning, access — and financing a home you build yourself.
5	**Commercial Guide — Apartments & Business** Multifamily metrics, commercial lending, and buying an existing business.

Every guide in this library is free, in English and Spanish, at:

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You Are Closer Than You Think

Every family we have handed keys to began exactly where you are right now — with a list of questions and no clear map.

Ask the questions early, take the steps in order, and doors that felt closed turn out to open.

Homeownership is still one of the most reliable ways a family builds something lasting. When you are ready, we are one phone call away.