FIRST-TIME HOMEBUYER CHECKLIST: SECURING YOUR PIECE OF PARADISE

2026 Housing Initiative Developed by
The Paradise Ridge Chamber of Commerce

STEP 1: YOUR 5-STEP ACTION PLAN

Follow this simple plan to transition from dreaming about a home to getting pre-approved on the affordable Paradise Ridge.

1. Review Your Finances (Check DTI and Credit)

- Pull your full credit report.
- Calculate your Debt-to-Income (DTI) ratio.

2. Determine Your Eligibility for Foundational Loans

- Find out if you qualify for an FHA Loan (low down payment required).
- Determine if you qualify for a VA Loan (100% financing for veterans/service members).

3. Contact a Local Lender (Your Essential Partner)

- Engage a Chamber member mortgage broker who specializes in Butte County.
- Discuss stacking options (e.g., FHA + CalHFA DPA).

4. Target the Ridge

- Focus your home search on Paradise and Magalia.
- Leverage the low median price point ($450K) to maximize assistance dollars.

5. Get Pre-Approved

- Obtain your official Pre-Approval Letter.
- This shows sellers you are a serious, ready-to-go buyer.

STEP 2: DID YOU KNOW

The affordable prices on the Ridge supercharge these powerful state and federal programs.

- **FHA Loans**: Requires only 3.5% down payment. On the Ridge, this averages $15,750, compared to $50K+ in metro areas.
- **VA Loans**: Offers **100% financing** (zero down payment) for eligible veterans and service members.
- **CalHFA Down Payment Assistance (DPA):** Provides funds (up to 3.5% of purchase price) to cover the FHA down payment and closing costs. This can make your total out-of-pocket cost near zero.
- **Mortgage Credit Certificate (MCC)**: A valuable tax credit that reduces your annual federal income tax liability, saving you money over the long term.

STEP 3: DOCUMENTS REQUIRED FOR PRE-APPROVAL

Have these documents ready to accelerate your application process.

- Two most recent pay stubs.
- W-2 statements from the last two years.
- Federal tax returns from the last two years (including all schedules).
- Bank statements for the last two months (for all accounts where funds are held).
- Investment and retirement account statements (if applicable).
- Driver's license and Social Security card.

FIND CHAMBER PROFESSIONALS NOW