

First-Time Homebuyer Guide: Buying in Redding, CA (2026)

Everything you need to know about buying your first home
—from saving for a down payment to getting the keys.

Buying your first home is one of the biggest financial decisions you'll ever make. It can feel overwhelming—there's so much to learn, so many steps, and plenty of people offering advice (some of it conflicting). But here's the truth: thousands of first-time buyers successfully purchase homes every year, and you can too.

I'm Nathan Cross, a Realtor serving Redding and Shasta County, and I specialize in helping first-time buyers navigate this process. This guide will

walk you through everything—no jargon, no pressure, just the information you need to make confident decisions about your first home purchase.

Is Now the Right Time to Buy?

This is usually the first question first-time buyers ask. And honestly? The answer depends more on your personal situation than on market conditions.

Ask yourself these questions:

- **Job stability:** Have you been employed steadily for at least two years? Lenders want to see consistent income.
- **Financial foundation:** Do you have savings for a down payment and some emergency reserves?
- **Credit health:** Is your credit score in decent shape (or are you actively improving it)?
- **Timeline:** Do you plan to stay in the area for at least 3-5 years?
- **Lifestyle readiness:** Are you ready for the responsibilities of homeownership?

If you answered yes to most of these, you're probably in a good position to start exploring homeownership—regardless of what interest rates or the broader market are doing.

The Rent vs. Buy Question

In Shasta County, average rents run \$1,400–1,800 per month for a decent 2–3 bedroom home. Meanwhile, a mortgage payment on a \$350,000 home with 5% down might be \$2,200–2,500 including taxes and insurance. For context, the median Redding home sold for about \$408,500 as of mid-2026, and homes typically took around 54 days to sell. That means first-time buyers usually have time to make a careful decision instead of rushing.

Yes, the mortgage payment is often higher. But consider what you're getting: equity building with every payment, tax benefits, stability (no landlord deciding to sell), and the freedom to make the space your own. Over time, homeownership typically wins financially—if you stay put long enough.

Understanding Your Finances

Before you start looking at homes, you need to understand what you can afford. This isn't just about what a lender will approve—it's about what fits comfortably in your life.

The Down Payment

Contrary to popular belief, you don't need 20% down to buy a home. Here's what different loan types actually require:

- **FHA Loan:** 3.5% down (minimum 580 credit score)
- **Conventional Loan:** 3–5% down (620+ credit score)

- **VA Loan:** 0% down (for veterans and active military)
- **USDA Loan:** 0% down (for eligible rural areas—many Shasta County locations qualify)

For a \$350,000 home in Redding, that's anywhere from \$0 to \$17,500 for down payment. The 20% myth keeps many people renting longer than they need to.

Closing Costs

Beyond the down payment, plan for closing costs of 2-5% of the purchase price. These cover things like loan origination fees, title insurance, escrow fees, and prepaid items like property taxes and homeowner's insurance.

On a \$350,000 home, expect \$7,000-17,500 in closing costs. However, sellers sometimes contribute toward buyer closing costs as part of negotiations—especially in a balanced market.

Monthly Payment Reality Check

Your monthly housing payment includes more than just the mortgage:

- **Principal & Interest:** The actual loan payment
- **Property Taxes:** About 1% of home value annually in Shasta County
- **Homeowner's Insurance:** \$1,200-2,000+ per year (varies by location and fire risk)
- **Mortgage Insurance:** Required if down payment is less than 20%
- **HOA Fees:** If applicable (\$50-300/month in most Shasta County communities)

A good rule of thumb: keep your total housing payment under 28-30% of your gross monthly income. This leaves room for other financial goals and unexpected expenses.

Getting Pre-Approved

Before you start shopping for homes, you need to get pre-approved for a mortgage. This isn't optional—it's essential.

Pre-approval tells you exactly how much you can borrow, shows sellers you're a serious buyer, and helps you focus your search on homes you can actually afford. In competitive situations, sellers often won't even consider offers from buyers without pre-approval letters.

The process involves:

1. Completing a mortgage application
2. Providing documentation (pay stubs, tax returns, bank statements)
3. Authorizing a credit check
4. Receiving a pre-approval letter stating your approved loan amount

I have relationships with several trusted local lenders and can make introductions based on your specific situation.

[Read my complete Mortgage Pre-Approval Guide →](#)

The Home Buying Process: Step by Step

Here's what to expect once you're pre-approved and ready to [start your search](#):

1

Define Your Must-Haves

Before starting your home search, clarify what matters most. How many bedrooms and bathrooms? Do you need a garage? What about yard size, location, or commute time? Separate true must-haves from nice-to-haves—this focuses your search and prevents decision fatigue.

2

Search and Tour Homes

I'll set up a customized search based on your criteria and budget. When properties match, we'll schedule tours. Expect to see 5-15 homes before finding "the one"—though sometimes buyers find it sooner. Take notes and photos to remember each property.

3

Make an Offer

When you find a home you love, we'll write an offer. I'll help you determine a competitive price based on comparable sales, market conditions, and the property's condition. We'll also set terms for contingencies, closing timeline, and any requests for seller contributions.

4

Negotiate and Get Under Contract

The seller may accept, reject, or counter your offer. Most deals involve some negotiation. Once both parties agree on terms, you'll sign the purchase contract and enter escrow—typically with a deposit of 1-3% of the purchase price.

5

Complete Inspections

Within the first 7-17 days (depending on your contract), you'll hire a home inspector to evaluate the property. This is your chance to uncover issues. Based on findings, you can request repairs, ask for credits, renegotiate the price, or walk away if problems are serious.

6

Finalize Your Loan

Your lender will order an appraisal to verify the home's value and complete underwriting on your loan. Stay in close contact with your loan officer, respond quickly to document requests, and avoid any major financial changes during this period.

7

Close and Get Your Keys

At closing, you'll sign a stack of documents, wire your down payment and closing costs, and officially become a homeowner. In California, there's typically a day between signing and recording—once the deed records, you get the keys.

First-Time Buyer Programs and Assistance

Several programs exist specifically to help first-time buyers. Here are options available in California and Shasta County:

2026 Down Payment Programs for Shasta County Buyers

Several programs are available right now to help first-time buyers in Redding and Shasta County. Here's the current status as of May 2026:

Program	What It Offers	Status
CalHFA MyHome	Deferred-payment loan up to 3.5% of purchase price for down payment or closing costs. No monthly payments — repaid when you sell or refinance.	OPEN
Shasta County DAP	Up to 40% of purchase price (max home price \$352,450). Low-interest deferred loan for down payment. One of the best programs available locally. Contact: Cathleen Fives, (530) 229-8308.	OPEN
CalPLUS + ZIP	CalHFA CalPLUS conventional or FHA loan combined with ZIP (Zero Interest Program) for closing costs. Reduces upfront cash needed at closing.	OPEN
USDA Rural Loan	Zero down payment for buyers in eligible rural areas. Most of Shasta County qualifies — Anderson, Cottonwood, Shasta Lake, and more. No mortgage insurance required.	OPEN
CalHFA Dream For All	Shared appreciation loan for down payment. Previously offered up to 20% of purchase price. Expected to reopen with updated guidelines.	CLOSED as of 03/16/2026

Program status as of May 2026. Programs open and close based on funding availability. Call Nathan at (530) 999-1773 for current options — I work with buyers on program eligibility as part of every transaction.

VA Loans

If you're a veteran or active-duty military, VA loans offer zero down payment, no mortgage insurance, and competitive rates. Shasta County has a strong veteran community, and I've helped many military buyers use this benefit.

What First-Time Buyers Are Actually Budgeting For

Down payment is only one piece of the equation. What usually surprises first-time buyers in Redding is how many small line items show up between accepted offer and closing day.

- **Down payment:** Could be 0% with VA or USDA, 3% with some conventional loans, or 3.5% with FHA.
- **Closing costs:** Usually 2-5% of the purchase price before any seller credits or assistance programs are applied.
- **Inspections:** General home inspection first, then pest, septic, or well inspections if the property calls for them. Our [inspection guide](#) explains what those typically uncover in Shasta County.
- **Reserves:** I like buyers to keep some cash after closing so a broken water heater doesn't turn into a crisis.

As a rough example, a buyer targeting a \$325,000 home with FHA financing might plan for the 3.5% down payment plus closing costs, then look for assistance or seller credits to reduce the cash needed at the table. A USDA-eligible purchase in outlying parts of Shasta County can look very different because the down payment may be zero.

Good Areas to Start for First-Time Buyers

The best first home is not always in the most talked-about neighborhood. A few areas tend to make a lot of sense for buyers balancing price, commute, and day-to-day livability:

- [Anderson](#) for affordability and a straightforward commute into Redding.
- [Shasta Lake](#) for value and easier entry points near outdoor recreation.
- [Enterprise](#) for buyers who want to stay inside the Redding orbit with easier access to shopping and schools.
- [Cottonwood](#) for buyers who want more space and may be looking at USDA-eligible properties.

If you're still narrowing it down, compare communities in the [areas guide](#) and pair that with the [mortgage pre-approval guide](#) before you start touring homes.

Common First-Time Buyer Mistakes

Mistake #1: Shopping Before Getting Pre-Approved

It's tempting to browse Zillow before talking to a lender. But this often leads to falling in love with homes outside your budget—or missing out on the right home because you can't move fast enough. Get pre-approved first.

Mistake #2: Draining Your Savings for the Down Payment

Yes, a larger down payment means a lower monthly payment. But leaving yourself with zero reserves is risky. Homes need maintenance, appliances break, and life happens. Keep 3-6 months of expenses in savings after closing.

Mistake #3: Ignoring the Neighborhood

A perfect house in the wrong neighborhood is still wrong. Drive through at different times—morning, evening, weekends. Check commute times during rush hour. Research school ratings if that matters to you. You're buying a location, not just a structure.

Mistake #4: Skipping the Inspection to "Win" the Deal

In competitive markets, some buyers waive inspections to make their offers more attractive. This is almost always a mistake for first-time buyers. A few hundred dollars for an inspection can save you thousands in unexpected repairs.

Mistake #5: Making Big Financial Moves During the Process

Don't buy a car, open new credit cards, change jobs, or make large unexplained deposits during the home buying process. Any of these can derail your loan approval, even after you're under contract.

Working With a Buyer's Agent

As a first-time buyer, you'll benefit from having an experienced agent in your corner. Here's what I do for my buyer clients:

- Help you understand the local market and realistic expectations
- Set up customized searches matching your criteria
- Schedule and accompany you on home tours
- Provide insights on properties you might miss
- Write competitive offers and negotiate on your behalf
- Recommend trusted inspectors, lenders, and other professionals
- Guide you through paperwork and deadlines
- Problem-solve when issues arise (and they often do)

The best part? Working with me as your buyer's agent costs you nothing. I'm compensated from the seller's side of the transaction. You get professional representation with no out-of-pocket expense.

What My Buyers Say

"Nate helped our family buy a home in Redding. He's an awesome real estate agent. We couldn't be happier."

— Tiffany B., Redding

"Nathan took the time and set up opportunities to view quite a few homes before I found the house I wanted. Nate was great with negotiating a solid deal in a competitive market."

— Randall C., Redding

"Nathan was amazing in helping my wife and I find a home. He was very honest and helpful in all the advice we needed as first time home buyers. He considered what was important for me as a husband and father looking to find a safe and family oriented community."

— Jing W., Redding

Shasta County: A Great Place to Buy Your First Home

I'm biased, but I genuinely believe Shasta County is one of the best places in California to buy your first home. Here's why:

- **Affordability:** While California is expensive, Shasta County remains accessible compared to the Bay Area or Southern California metros
- **Variety:** From downtown Redding condos to rural acreage, you can find properties across a wide price range
- **Outdoor lifestyle:** World-class hiking, fishing, skiing, and mountain biking right in your backyard
- **Community:** Small-town feel with the amenities of a regional hub
- **Growth potential:** The area is attracting remote workers and Bay Area refugees seeking quality of life

Popular areas for first-time buyers include [Anderson](#) (most affordable), [Shasta Lake](#), and various Redding neighborhoods. I'd be happy to walk you through the options based on your priorities.

Ready to take the next step? [Learn how I help first-time buyers in Redding](#) navigate the process from pre-approval to closing day.

What First-Time Buyers Usually Underestimate

Most first-time buyers do a decent job thinking about the down payment. Where people get surprised is everything wrapped around it. Insurance. Property taxes. Closing costs. The fact that the house that looked affordable online may need a roof tune-up, a water heater, or a little electrical work in the first year.

That does not mean buying is a bad idea. It just means the smartest buyers build in breathing room. A lender can tell you what you can qualify for. The better question is what payment still feels comfortable after groceries, childcare, a car repair, and normal life. If you are still comparing lenders, this page pairs well with the [Redding mortgage lender guide](#).

How to Make a Strong Offer Without Doing Something Reckless

In Redding, first-time buyers usually do best when they stay simple and prepared. Have the pre-approval done. Know your real ceiling. Move quickly when a well-priced home pops up, but do not waive the inspections or stretch the payment to a level that keeps you anxious every month.

That is especially true if you are deciding between neighborhoods. A house in [Anderson](#), [Shasta Lake](#), or [Redding](#) can come with very different tradeoffs in commute, insurance, and long-term fit. I like buyers to compare both the

property and the lifestyle before writing the offer. The [home inspection guide](#) and [areas guide](#) help with that.

Frequently Asked Questions

How much money do I need to buy my first home?

It depends on the loan type. FHA loans require as little as 3.5% down, conventional loans can go as low as 3%, and VA/USDA loans offer 0% down for eligible buyers. For a \$350,000 home in Redding, that's anywhere from \$0 to \$17,500 for down payment, plus 2-5% for closing costs.

What credit score do I need to buy a house?

Minimum credit scores vary by loan type: 580 for FHA loans, 620 for most conventional loans, and 620 for VA loans. However, higher scores (700+) get significantly better interest rates. If your score needs work, even a few months of improvement can save you thousands over the life of your loan.

Should I buy a home or keep renting in Redding?

With average Redding rents around \$1,400-1,800/month, many buyers find that mortgage payments are comparable—but you're building equity instead

of paying your landlord's mortgage. The right choice depends on your timeline, financial stability, and personal goals.

How long does it take to buy a house?

From the time you're pre-approved, most buyers find a home within 1-3 months depending on market conditions and how specific their requirements are. Once you're under contract, closing typically takes 30-45 days. The entire process usually runs 2-4 months.

Do I need a real estate agent to buy a home?

You're not legally required to have an agent, but working with a buyer's agent costs you nothing (we're paid from the seller's side) and provides significant advantages: access to homes before they hit public sites, market expertise, negotiation skills, and guidance through paperwork and inspections.

What costs do first-time buyers forget to budget for?

The big ones are closing costs, homeowners insurance, property taxes, moving expenses, and the first round of maintenance after you move in. None of that means buying is a bad idea. It just means you do not want to spend every last dollar on the down payment and leave yourself zero cushion.

Is Redding still a good market for first-time buyers?

Yes. It is still one of the more approachable markets in California for first-time buyers, especially compared with Sacramento, the Bay Area, or Southern California. Buyers still need a plan and a real budget, but entry-level opportunities remain in Redding, Anderson, and Shasta Lake.
