

Steps to Obtain a First Time Homebuyer Loan

1. Prequalify for a Loan

Participating Lending Institutions process all NHD loans. First, select a Participating Lending Institution. Then, make an appointment with that lender to determine your eligibility and the purchase price of the home which you can qualify for and which loan type best meets your needs.

The Participating Lending Institution will also explain what fees are involved and how much down payment is necessary. NHD can also provide down payment loan, if needed.

2. First Time Homebuyer Education Class

The Division cannot emphasize how important homebuyer education is for first-time homebuyers. The Division requires the attendance at a HUD approved in-person class for all applicants using NHD loan programs.

3. Locate an Affordable Residence

Begin looking for an eligible residence you can afford based on the information the lender provided. Although not required, using the services of a real estate professional is recommended.

4. Enter Into a Real Estate Purchase Contract

This agreement is the contract used to purchase a home. It specifies the legal obligations of the seller and the buyer, established a specific date of purchase and set the price of the home. This contract should allow enough time for a complete home inspection, (on an existing home), home appraisal and loan approval. In this agreement, it should state that if you are not satisfied with the home inspection, or you do not obtain a NHD loan, the contract is cancelled and your earnest money will be refunded.

5. Apply for a Loan

At this point you can formally apply for a NHD loan through the Participating Lending Institution. After you have applied the lender will request that NHD reserve funds for the loan. Only one application may be made per applicant and funds are reserved on a first-come, first-serve basis.



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HOUSING DIVISION

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State of Nevada

DEPARTMENT OF
BUSINESS & INDUSTRY

HOUSING DIVISION

Loan Programs:
First Time Homebuyer
Veteran Homebuyer
Down Payment



What Type of Loans Are Currently Available?

Below-market 30-year fixed interest rate. FHA, VA, and Fannie Mae Conventional: HFA Preferred (95.01%-97% LTV), per limits and rules.

Interest Rate:

See our website for current interest rates.

What Fees Will Be Incurred?

An origination fee not to exceed 1.00%, all other fees charged in accordance with FHA, VA, or Fannie Mae limits and rules.

Who is Eligible?

An eligible borrower means a person who:

(1) successfully completes a HUD-approved in person 6 to 8 hr. Homebuyer Counseling Class;

(2) meets the criteria for underwriting applied by FHA, VA, or Fannie Mae, as applicable, meets minimum credit score of 640 and DTI does not exceed 45%;

(3) has assets, including, without limitation, savings accounts, stocks, bonds and equity in real property, that do not exceed 50 percent of the acquisition cost of the qualified residence, unless the borrower is disabled or elderly and the Division determines that such assets are the primary source of income for the borrower;

(4) except as otherwise provided in this definition, has not had an ownership interest in a residence that was the principal residence of the borrower, other than a manufactured home that is not permanently affixed to real property, at any time within the 3 years immediately preceding the date on which the mortgage loan is originated (the provisions of this definition do not apply to a qualified veteran or a person applying to finance the purchase of a targeted area residence);

(5) has household income of not more than the maximum income for eligible borrowers for a family the size of the borrower's family; and

(6) purchase home within the purchase price limits for county of residence.

Maximum Income Limits (Household income may not exceed)

County	1 - 2 Persons	3 + Persons
Clark	\$69,035.00	\$ 79,390.00
Washoe/Storey	\$79,216.00	\$ 91,098.00
Carson City	\$69,500.00	\$ 79,925.00
Douglas	\$84,370.00	\$ 97,025.00
Humboldt	\$73,400.00	\$ 84,410.00
Elko	\$79,900.00	\$ 91,885.00
Eureka	\$74,500.00	\$ 85,675.00
Lyon / Nye	\$64,700.00	\$ 74,405.00
Churchill	\$67,600.00	\$ 77,740.00
Esmeralda/Lincoln/Mineral	\$64,700.00	\$ 74,405.00
Lander	\$69,300.00	\$ 79,695.00
Pershing	\$65,300.00	\$ 75,095.00
White Pines	\$66,900.00	\$ 76,935.00

Household income includes the sum of all income not excluded in the following paragraph (before any payroll deductions), including but not limited to gross pay; and income from business activities or self-employment activities, any additional income from overtime, part-time employment, shift differential, tips, bonuses, allowances for automobiles, housing, uniforms, etc. (except that employee business expenses may be deducted), dividends, interest, royalties, pensions, compensation from the Department of Veterans Affairs (VA), net rental income, net farm income, etc; and other income such as alimony, child support, public assistance, sick pay, Social Security benefits, unemployment compensation, income received from trusts, and income received from business activities or investments. Depreciation shall not be deducted from the income of self-employed household members.

Overtime pay, bonuses, tips, part-time employment, shift differential will be projected in an amount consistent with the earnings history of each household member.

Maximum Purchase Price Limits

County	New Construction or Existing
Clark	\$281,250.00
Washoe /Storey	\$318,375.00
Carson City	\$280,125.00
Douglas	\$343,125.00
Nye / Elko / Eureka	\$265,158.00
Lyon	\$265,158.00
All Others	\$265,158.00

Other Things You Need To Know:

- The borrower must occupy the residence for the term of the loan. **The residence may not be rented.**
- Borrower may not operate a trade or business which qualifies for a deduction for income tax purposes or which qualifies for the deduction of certain expenses incurred in connection with the business use of a home.
- If a borrower has operated a trade or business within his/her residence, a letter is required from a tax attorney, C.P.A. or official tax preparer stating the borrower would not be eligible or does not qualify to take the "business in home" tax deduction.
- A borrower must provide signed, complete copies of the preceding three (3) years of income tax returns or acceptable IRS computer generated substitutions. Or provide a signed exemption affidavit.
- Lending limits are in accordance with FHA, VA, or Fannie Mae guidelines, as applicable.
- The residence being purchased must meet FHA, VA, or Fannie Mae underwriting criteria, as applicable.
- All loans closing after December 31, 1990 are subject to the Recapture Tax provision. Effective September 1, 2011 Recapture Reimbursement Program.

Mortgage Eligibility Requirements – Targeted Areas:

Targeted area mortgage loans must satisfy the same requirements as non-targeted area mortgage loans except an eligible borrower may have had an ownership interest in a principal residence within the three (3) years prior to the date the mortgage loan is originated.

Maximum Income Limits (Household income may not exceed)

County	1 - 2 Persons	3 + Persons
Clark/Mineral	\$77,640.00	\$ 90,580.00
Churchill	\$81,120.00	\$ 94,640.00
Washoe/Storey	\$81,480.00	\$ 95,060.00

Targeted Areas include census tracts

3.01,3.02,4.02,4.03,5.14,5.21,5.14,5.21,5.22,5.23,5.24,5.28, 6,7,8,11,15.01,16.12,17.18,19.01,22.04,22.07,24.03,24.04, 24.05,25.06,28.10,29.54,29.56,29.96,34.28,34.31,38,40,43.1,4 3.02,46.01,46.02,47.07,47.09,47.10,47.12,47.13,47.15,71 in Clark County, census tract 9504 in Churchill County, 1.02,2.01,9,10.08,17.01,18.02,19.01,19.02,21.07,22.11,27.03, 30, 9800 in Washoe County, 9708 in Mineral County.

Maximum Purchase Price Limits TARGETED AREAS

County	New Construction or Existing
Clark	\$343,750.00
Washoe/Storey	\$389,125.00
Mineral	\$324,082.00
Churchill	\$324,082.00

Down Payment and Closing Cost Assistance

Assistance may **only** be utilized in conjunction with the Division's First Time Homebuyer Program first mortgages.

NHD Financed Second

- Up to 3% of the purchase price or appraised value, whichever is less in assistance
- Fixed rate
- 20 year amortization
- Asset limit—same as first loan program
- Income limits—same as first loan program
- Purchase price limits—same as first loan program
- First Time Homebuyer Education Course required

For more information regarding the Housing Division's First Time Homebuyer Program: contact Nnika Cromwell, ncromwell@housing.nv.gov or Maggie Cassara at mcassara@housing.nv.gov.