



Your Partner in Buying a Home and/or Repairing Your Home

USDA Rural Development

Rural Housing Provides

New counter tops



Roof repairs



New windows



Siding



Home Rehabilitation



504 Home Repair Program:

This program provides loans to very low income homeowners to repair, improve, or modernize their homes or provide grants to elderly very low income homeowners to remove health and safety hazards or make it more accessible to a household member with a disability.

504 Repair Loans and Grants

To Qualify:

- Be a homeowner and occupy the home
- Be unable to obtain affordable credit elsewhere
- Have a household income below 50% of the area median income
(Income will be adjusted using deductions)

GRANT:

- Be 62 or older and not able to repay a repair loan

HOME REPAIR

- Loans and Grants Program

Can be combined to total
Up to \$50,00.00 of
assistance

Grant: \$10,000.00

Loan: \$40,000.00



Before



After



Loans terms are 20 years
Fixed interest rate of 1%

Full Title Service is required for loans
exceeding \$25,000.00

Deed of Trust if loan exceeds \$7,500

What are the Grant Requirements?

- **Income:** cannot exceed very low income guidelines; visit [website](http://www.rd.usda.gov) for details. www.rd.usda.gov
- At least one applicant must be 62 or older
- **Credit History is not considered**
- **Property must not exceed our area loan limit and be located in an eligible area**
- **Income is below 30% AMI or Total Debt Ratio exceeds 46%**



WHY?

USDA Rural Development's 502 Direct Loan Program provides a path to homeownership for low and very-low income individuals and families living in rural areas, and families who truly have no other way to make affordable homeownership a reality

Providing these affordable opportunities promotes prosperity, which in turn creates thriving communities and improves the quality of life in rural areas.



This program assists low and very Low-income applicants obtain decent, safe, and sanitary housing in eligible rural areas by providing payment assistance to increase an applicant's repayment ability.

Payment assistance is a type of subsidy that reduces the mortgage payments for a period of time, as long as the borrower remains eligible.

The amount of payment assistance is determined by the adjusted household income. Interest rate ranges from 1% - 2.5%

We can finance existing, stick- built new construction, modular, and manufactured homes

Conditional Commitments are available: This is a written assurance from the Agency to a qualified builder, dealer-contractor, or seller that a dwelling to be constructed will be certified as acceptable for purchase by a qualified applicant, as long as the construction and sales price meet certain conditions.

A standard application fee for each dwelling for which a conditional commitment is requested must be collected. \$825.00 is the fee as of today.

Office Locations

State Office - Richmond

1606 Santa Rosa Road, Suite 238
Richmond, VA 23229
802-828-6012
Phone: 804-287-1616

Area 1 Office (Wytheville)

100 USDA Drive
Wytheville, VA 24381
802-8366
Phone: 276-484-9384

Area 2 Office (Lynchburg)

20311-A Timberlake Road
Lynchburg, VA 24502
0337
Phone: 804-382-4527

Area 3 Office (Harrisonburg)

1934 Deyerle Avenue, SD
Harrisonburg, VA 22801
Phone: 540-534-3061

Area 4 Office (Courtland)

22329 Main Street
Southampton Office Bldg. 2
Courtland, VA 23737
1026
Phone: 804-382-2879

502 Direct Loan Program

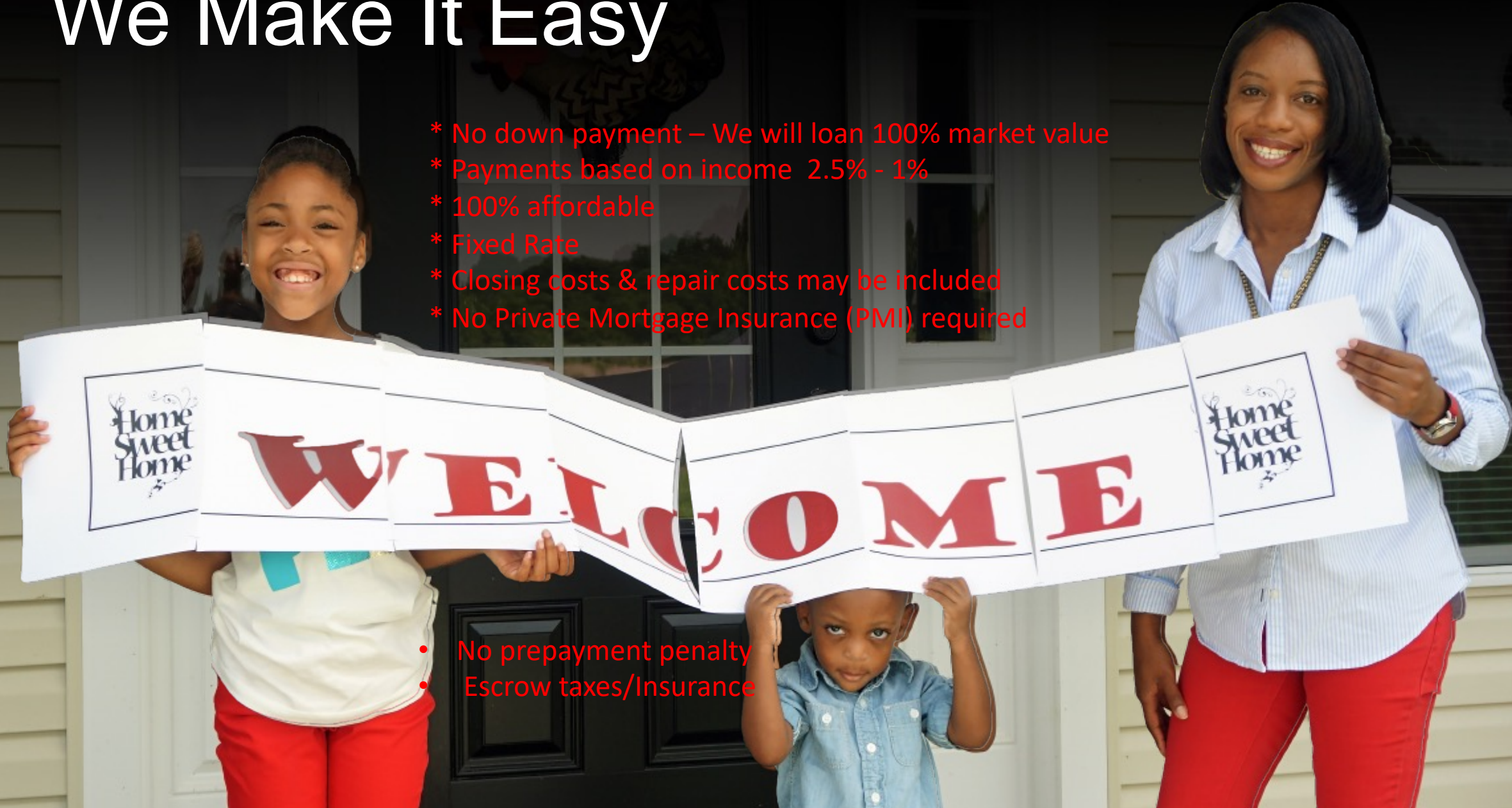
30 year Manufactured Homes
33 year all other type homes
38 year < 60% adjusted median



We Make It Easy

- * No down payment – We will loan 100% market value
- * Payments based on income 2.5% - 1%
- * 100% affordable
- * Fixed Rate
- * Closing costs & repair costs may be included
- * No Private Mortgage Insurance (PMI) required

- No prepayment penalty
- Escrow taxes/Insurance



- Must demonstrate a willingness and ability to repay debt
-
- Stable and Dependable Income
- Credit worthiness
- Cannot already own a home – (few exceptions)
- Must occupy property as your primary residence
- Not be suspended or debarred from participation in federal programs
- Meet citizenship or eligible noncitizen requirements
- 33% PITI 41 % PITI

Property Requirements:

- < 2000 sq ft Living Space
- Rural Area – check property eligibility www.rd.usda.gov
- Must be 1 acre or less/ or cannot be subdivided and typical for the area



www.rd.usda.gov

Programs Services

Single Family Housing Direct Loans

Visit the: [USDA Income and Property Eligibility](#) website for complete details.

This will assist you with the property eligibility, too.

ADDITIONAL RESOURCES

<https://www.rd.usda.gov/resources/directives/handbooks>

Click on “HB-1-3550 Direct Single Family Housing Loans and Grants

Guidelines for loans/grant

Fact sheets

Publications

Self Assessment Tool – Pre Qual

Rural Housing Programs

Guaranteed Rural Housing Loan Program





Guaranteed Home Loans

**Moderate Income
Zero Down
30 year fixed
No PMI**

Property Eligibility

- Most Counties have eligible areas

<https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>

National Approved Lenders are found:

<https://www.rd.usda.gov/files/SFHGLDApprovedLenders.pdf>

Guarantee Loan Regulations are found: :

<https://www.rd.usda.gov/publications/regulations-guidelines/handbooks#hb135>



<https://twitter.com/usdard>



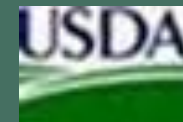
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QUESTIONS