

Single-Family Housing Repair Loan & Grant

In need of making essential home repairs?

USDA Rural Development has affordable financing and friendly Specialists to help you make those necessary home repairs.



What does this program do?

Also known as the Section 504
Home Repair program, this
provides loans to very-lowincome homeowners to repair
or improve their homes. Grants
are available to elderly very-lowincome homeowners to remove
health and safety hazards or add
improvements to disabilities.

Who may apply for this program?

To qualify, you must:

- Be the homeowner and occupy the house
- Be unable to obtain affordable credit elsewhere
- Have a family income below 50 percent of the area median income
- For grants, be age 62 or older and not be able to repay a repair loan
- Full title service is required for loans of \$7,500 or more

What is an eligible area?

Generally, rural areas with a population less than 35,000. Visit the *USDA Income and Property Eligibility* website for complete details.

Why choose USDA?

- Maximum loan is \$40,000
- Maximum grant is \$10,000
- Loans and grants can be combined for up to \$50,000 in assistance
- · Loans can be repaid over 20 years
- · Loan interest rate is ixed at 1%
- Grants have a lifetime limit of \$10,000
- Grants must be repaid if the property is sold in less than 3 years

Every application is different, and our Specialists are here to help navigate the process. So why wait?

| Rural Development |
|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
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Single Family Housing Repair Loans and Grants

What does this program do?

Also known as the Section 504 Home Repair program, it provides loans to very-low-income homeowners to repair, improve, or modernize their homes, or provides grants to elderly, very-low-income homeowners to remove health and safety hazards.

Who can apply for this program?

To qualify, you must:

- Be the homeowner and occupy the house
- Be unable to obtain affordable credit elsewhere
- Have a family income within the very-low-income limit
- For grants, be age 62 or older and not be able to repay a repair loan

What is an eligible area?

Properties must be located in an eligible rural area. You can visit the USDA Income and Property Eligibility website (available at this link: https://go.usa.gov/xzcdM) for complete details.

How can funds be used?

- Loans can be used to repair, improve, or modernize homes, or to remove health and safety hazards.
- Grants must be used to remove health and safety hazards.

How much money can I get?

- · Maximum loan is \$40,000.
- Maximum grant is \$10,000.
- Loans and grants can be combined for up to \$50,000 in assistance.

What are the terms of the loan or grant?

- Loans are repaid over 20 years.
- · Loan interest rate is fixed at 1 percent.
- Full title service is required for loans greater than \$25,000.
- Grants have a lifetime limit of \$10,000.
- Grants must be repaid if the property is sold in less than three years.

 If applicants can repay part - but not all - of the costs, they may be offered a loan and grant combination.

Is there a deadline to apply?

Applications are available year-round as long as funding is available, and are processed in the order they are received.

How long does an application take?

Approval times depend on funding availability in your area. Talk to a state or area office-based USDA home loan specialist (a map is available at this link: https://www.rd.usda.gov/browse-state) for help with your application.

How do I get started?

Contact a USDA home loan specialist (information is available at this link: https://www.rd.usda.gov/browse-state) in your area.

What governs this program?

- The Housing Act of 1949 as amended; 7 CFR, Part 3550 (available at this link: https://go.usa.gov/xzcvG)
- HB-1-3550 Direct Single Family Housing Program Field Office Handbook (available at this link: https://go.usa.gov/xzcvM - PDF)

NOTE: Because citations and other information is subject to change, always consult the program instructions listed in the section above titled "What Governs This Program?" You can also contact your local office for assistance (a list is available at this link: https://go.usa.gov/xzjP7). You will find additional forms, resources, and program information at rd.usda.gov. USDA is an equal opportunity provider, employer, and lender.