

<http://www.rurdev.usda.gov/ne>

Committed to the Future of Rural Communities.



Committed to the future of rural communities.

Real Estate Professionals Guide to Rural Development Financing




OCTOBER 2011



TABLE OF CONTENTS

- 1 - Rural Development + You = Rewarding Partnership
 - 2 - Success Story—Partnering with Local Communities and Organizations
 - 3 - Success Stories Continued
 - 4 - Affordable Housing
 - 5 - USDA Rural Development Direct Loan Financing
 - 6 - Understanding The Direct Loan Transaction
 - 7 - Affordability Through Subsidized Payments—Direct Loan Program
 - 8 - Subsidy Recapture
 - 9 - Obtaining A Direct Loan Payoff
 - 10 - Fax Cover Sheet For Final Payoff Request
 - 11 - USDA Rural Development Guaranteed Rural Housing Loan Financing
 - 12 - Managing The Guaranteed Loan Transaction
 - 13 - Guaranteed Financing: “Best for the Borrower”
 - 14 - Guaranteed Rural Housing Program
 - 15 - Eligibility Requirements?
 - 16 - Property and Site Requirements (Guaranteed and Direct Loan Programs)
 - 17 - Homebuyer Education
 - 18 - Resources Available On The Web
 - 19 - USDA Rural Development Office Directory
- 



RURAL DEVELOPMENT + YOU = REWARDING PARTNERSHIP

At RURAL DEVELOPMENT we are committed to assisting rural communities.

RURAL DEVELOPMENT offers two separate homeownership programs to help more people achieve the dream of homeownership:

- ♦ **Direct Rural Housing Loan**
- ♦ **Guaranteed Rural Housing Loan**

We need dedicated lenders, real estate professionals, builders, contractors, appraisers and other professionals to help us achieve our mission in providing affordable housing.

This guide was designed to provide you with a working knowledge of our programs that will hopefully assist you in helping your clients.

RURAL DEVELOPMENT provided in 2011, more than \$115 million through its' Guaranteed and Direct Rural Housing Loan programs that assisted one thousand two hundred fifty four households to achieve the dream of homeownership.

Together we can serve more people!

Together we can make a difference!

REALIZING THE DREAM OF HOMEOWNERSHIP



**David and Karrie Huryta
Ravenna, Nebraska**

**CJ, Chris and Emily Kohut
Scottsbluff, Nebraska**



Success Stories

Partnering with local communities and organizations

Helping Families Build Their Homes



Outline of Need: Maribel Bernal and her two children had been living with her parents for a number of years. Maribel wanted an opportunity to create a home for her family. The Norfolk Housing Agency (NHA) directed Maribel to USDA Rural Development in an on-going partnership effort.

How Rural Development Helped:

USDA Rural Development was able to work with Maribel to determine her eligibility as an applicant. During this process, the City of Norfolk, acting through NHA, notified the local USDA Rural Development staff of a Community Revitalization program they were working on and thought Maribel would be a perfect fit. The City had received funding from the Nebraska Department of Economic Development (DED) in 2007 and 2008. These grants, written and administered by the Northeast Nebraska Economic Development District (NENEDD), are available to demolish dilapidated properties within the city limits. They also allow funds to be allocated to low-to-moderate income families in the form of construction subsidies and down payment assistance. USDA Rural Development provided 100 percent financing in January 2011 through the Rural Housing Direct loan program to help put this family in a newly built home for less than \$100,000.

The Results: Without the partnership between USDA Rural Development, the City of Norfolk, DED and NENEDD, Maribel would not have been able to purchase her 1,056 square foot, three bedroom dream home. The partnering generated benefits beyond that of homeownership. This process helped to clean up and revitalize a neighborhood by demolishing a dilapidated property and replacing it with a nice, newly built home constructed by a local contractor. The demolition and building process helped generate local business and employment.



“Being able to own a new home and being part the decision making as to what my home was going to look like was a rewarding experience. I was very fortunate to have the guidance from USDA Rural Development and the Norfolk Housing Agency as they were extremely helpful throughout the entire project. Thanks to USDA I was able make my dream a reality,” said Maribel Bernal.



HOMEOWNERSHIP BENEFITS EXTEND BEYOND TEACHER

Outline of Need: Christopher Urwiller, a second year teacher with the Scottsbluff schools, had been a renter when he learned of an opportunity to purchase his own home. Twin Cities Development (TCD) and Scottsbluff High School (SHS) students were working on a joint project where TCD provided the lot for construction of a new home built by high school students that would soon be completed and ready for sale.

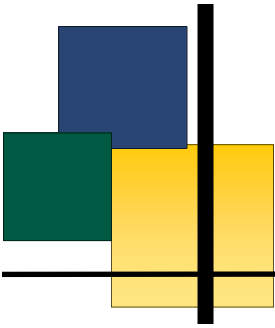
How Rural Development Helped: Platte Valley (PV) Mortgage utilized the USDA Rural Development Guaranteed Home Ownership Loan program to assist Chris with the purchase of his first home. The program offered him the opportunity to buy a new home with no down payment and a low fixed interest rate, resulting in an affordable payment.

The Results: The partnership with TCD, PV Mortgage, Scottsbluff High School and USDA Rural Development generated benefits beyond homeownership. With the opportunity to build an actual house, enrollment in the construction class bloomed from around 20 students to 66 students. Students learned how to frame, shingle, side and finish a home. The foundation, plumbing, electrical, heating, ventilating and air conditioning (HVAC) and drywall items were contracted out. By working with TCD and PV Mortgage, Chris was able to secure a purchase contract prior to completion of the home, which allowed him to pick his carpet colors, floor tile, and wood flooring to truly make the home his own.

Homeownership provided Chris an opportunity to establish roots in the community where he is already actively involved as a Physical Education teacher at Roosevelt Elementary and a coach with the Twin Cities baseball league.



TCD plans to continue the construction program with the local high school so that students can have a hands-on learning opportunity.



AFFORDABLE HOUSING

◆ **WHAT IS AFFORDABLE HOUSING?**

Housing is typically considered affordable when it costs no more than 30 percent of a household’s income for principal, interest, taxes and insurance.

◆ **WHY IS AFFORDABLE HOUSING NECESSARY?**

Lack of affordable housing creates hardships in low-moderate households in meeting other basic needs.

Affordable housing provides social and economic benefits by stabilizing families, allowing families to build assets, establishes pride of ownership, broadens tax base and helps attract residential and commercial development.



◆ **BARRIERS TO AFFORDABLE HOUSING:**

1. Lack of cash reserves for down payment.
2. Inability to meet high housing costs.
3. Lack of available housing or sub-standard existing housing.
4. Availability of suitable financing.

THROUGH RURAL DEVELOPMENT WE CAN OVERCOME THESE BARRIERS TO ASSIST FAMILIES TO OBTAIN AFFORDABLE HOUSING



USDA RURAL DEVELOPMENT DIRECT LOAN FINANCING

- ◆ Loans up to 100% of market value with no down payment.
- ◆ Loans for new construction, purchase of new or existing dwellings, necessary repairs.
- ◆ Homes to be located in rural area (population 20,000 or less) and Columbus and Norfolk.
- Client works with local Rural Development office.
- ◆ Must have acceptable credit demonstrating timely payment of obligations. Credit scores of 640 or greater are typically considered as acceptable, however credit scores below 640 may also be considered if there are mitigating circumstances.
- ◆ Maximum purchase price limits vary by county. Contact your Rural Development Field Office for the mortgage limits of the counties you serve.
- ◆ **Very low to low income limits.
- ◆ Competitive fixed rates—33/38 year loan terms.
- ◆ SOME CLIENTS MAY QUALIFY FOR SUBSIDIZED PAYMENTS—Interest rate may be subsidized to as low as 1% for qualified applicants, thereby making payments more affordable. These homeowners could be subject to recapture upon selling their home.
- ◆ Homes must be structurally sound and functionally adequate. Homes will be inspected and repairs may be necessary. Costs for repairs may be included in the loan.
- ◆ NOTE: Homebuyer Education may be required on Rural Development loans prior to loan closing.

****ALL household income must be considered (even if not the applicant or co-applicant) when determining if the family meets the qualifying household income limits. Income limits for applicable counties is available at <http://eligibility.sc.egov.usda.gov>.**



UNDERSTANDING THE DIRECT LOAN TRANSACTION

Timeframe: 4-6 weeks

1. Client meets with Rural Development to apply for financing.
2. Rural Development orders credit report, verification of employment and rent.
3. Rural Development interviews client, issues Certificate of Eligibility for specific pre-qualified amount. Certificate valid for 45 days, may be extended to 60 days upon request AND AVAILABILITY OF FUNDS.
4. Client enters into purchase agreement on a home (ALLOW AMPLE TIME TO CLOSE—WRITE CONTRACT FOR 45-60 DAYS MINIMUM). Contact Rural Development for fund verification prior to contract signing if concerned about fund availability.
5. Rural Development performs walk through of home.
6. Inspection of home completed by qualified inspector to ensure house is structurally sound; plumbing, electrical and heating systems are adequate. Required repairs may be necessary.
7. Rural Development orders appraisal.
8. Rural Development reviews title report.
9. Rural Development obligates funds.
10. Closing held at title company of buyer's or seller's choice.



**Stan and Connie Mathson
Morrill, Nebraska**

**RURAL DEVELOPMENT
HELPS GET DEALS DONE
AND YOUR CLIENTS
INTO HOMES.**

AFFORDABILITY THROUGH SUBSIDIZED PAYMENTS DIRECT LOAN PROGRAM

The direct loan program allows for payment assistance (subsidy) that temporarily reduces the effective interest rate paid by the borrower on their home loan (as low as 1% based on income qualifications). The subsidized interest rate allows clients to purchase a home they normally would be unable to afford based on conventional or guaranteed mortgage rates and terms. Payment Assistance:

- 1) Enhances applicant's repayment ability for Rural Development Direct Loan;
- 2) Temporarily lowers borrower's required monthly mortgage payment;
- 3) Is based on applicant's household income and is reviewed annually.

EXAMPLES

LOAN TYPE	TERMS		PAYMENT
Conventional loan	30 years	\$100,000 @ 6.25%	\$616 monthly principal & interest (P&I) payment
Rural Development Direct loan	33 years	\$100,000 @ 5.75% (Rural Development's "full note rate" is typically lower than conventional rates)	\$565 monthly P&I payment

PAYMENT ASSISTANCE is granted to eligible applicants based on the lesser of: Principal, interest, taxes & insurance (PITI) at full note rate less 24% of applicants' adjusted monthly income (calc #1)*
OR Note installment at 1% (calc #2)**

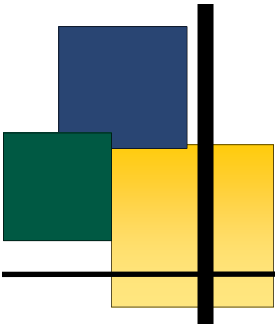
FOR EXAMPLE PURPOSES ONLY

4 Person Household				
Real Estate Taxes \$2,400 yr + Insurance \$600 yr = \$3,000 / 12 mo = \$250 month				
Annual Income	Less Dependent Deductions	Adjusted Annual Income	Monthly Adjusted Income	Monthly Adjusted Income X 24%
\$30,000	-\$960	\$29,040	\$2,420	\$580.80***
PAYMENT ASSISTANCE (SUBSIDY) CALCULATION				
<u>(calc #1)*</u>			<u>(calc #2)**</u>	

RD monthly full note pmt (\$565) + monthly taxes & insurance (\$250)	\$815 PITI	Full Note payment	\$565
***Less: 24% of adjusted monthly income	-\$580.80	Monthly payment @ 1%	\$296.58
Difference	\$234.20	Difference	\$268.42

Applicant's monthly subsidy=\$234.20

Monthly full note rate \$565 - \$234.20 monthly subsidy = \$330.80 monthly P&I payment by borrower



SUBSIDY RECAPTURE

SUBSIDY RECAPTURE — DO I HAVE TO PAY SUBSIDY BACK?

The borrower signs a subsidy repayment agreement at closing. A portion of subsidy may be required to be repaid when the property is sold, is no longer occupied by the borrower or the loan is paid off. This calculation is based on a determination of value appreciation, taking into consideration original equity, current market value, capital improvements, closing costs, amount of subsidy granted, average interest rate and number of months the loan was outstanding.

EXAMPLE: Subsidy granted \$234.20/mo for 120 months (10 years)=\$28,104
Home purchase price \$100,000
Current market value \$120,000
Capital improvements \$2,000 (by borrower)
Closing costs \$9,500

Estimated subsidy recapture to be repaid at the time of sale is \$4,250.

Rural Development will determine the amount of subsidy to be repaid at the time of payoff.



“The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual’s income is derived from any public assistance program . (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA’s TARGET Center at (202) 720-2600 (voice or TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD).

“USDA is an equal opportunity provider, employer and lender.”



OBTAINING A DIRECT LOAN PAYOFF

All direct loans are serviced through our Centralized Servicing Center (CSC) in St. Louis, MO. Maximum or estimated **payoff information may be obtained through our Interactive Voice Response (IVR) system with a touch-tone phone by calling 1-800-414-1226**. It will be necessary to have the borrower's loan account number and last 4 digits of their social security number to access the payoff options through the IVR system.

- ◆ A maximum payoff will include the outstanding loan balance, including ALL subsidy that has been granted on the account.
- ◆ To obtain the estimated payoff with estimated subsidy recapture calculated, enter the estimated market value and closing costs. A verbal estimated payoff will only be provided through the IVR system. **An estimated payoff should NOT be used to submit a payoff, as these figures are only estimates.**

To obtain a **FINAL** written payoff statement with the amount of subsidy recapture due, the following will need to be provided:

1. Appraisal or signed purchase agreement
2. Estimated HUD 1 settlement statement-closing agent
3. Projected payoff date
4. Borrower account number and borrower authorization

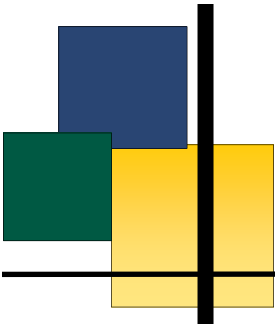
Final payoff requests with supporting information may be faxed to:

CSC Payoff Department

FAX# (314) 457-4433

(See next page for a FAX cover sheet that may be used to request a final payoff.)

Please allow 7-10 days to receive the final payoff statement once all information has been provided.



FAX COVER SHEET FOR FINAL PAYOFF REQUEST

FAX COVER SHEET FOR FINAL PAYOFF REQUEST

TO: USDA RURAL DEVELOPMENT-CSC
PAYOFF/RESEARCH SECTION
ATTN: FC 251
4300 GOODFELLOW BOULEVARD, BLDG 105E
ST. LOUIS, MO 63120-1703
Phone: 1-800-414-1226
FAX: (314) 457-4433

FROM: _____

FAX: _____
Phone: _____

Number of Pages including cover sheet: _____

We are assisting the subject Rural Development customer in selling their home. They have asked us to obtain a payoff quote from you on their behalf. See below for authorization. I am requesting the calculation of principal, interest, and recapture due for the following borrower:

CUSTOMER NAME: _____

CUSTOMER ADDRESS: _____

RHS ACCOUNT NUMBER _____

OTHER ITEMS TO BE INCLUDED WITH THIS FAX:

- 1. Estimated Settlement Statement from Closing Agent
- 2. APPRAISAL - Fax the first 2 pages of the Uniform Residential Appraisal Report (make sure the appraiser SIGNED the report) **OR** SIGNED SALES AGREEMENT if the property is being sold.

Proposed Payoff Date _____

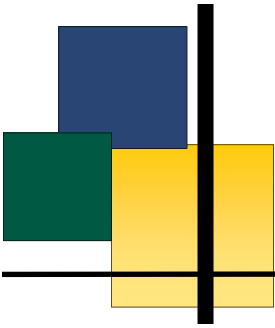
We hereby authorize USDA Rural Development to provide the account and payoff information as requested.

Borrower Signature

Date

NOTE: If all of the above information is not received in its' entirety, your payoff request WILL be delayed.

Include the borrow account number on EVERY item faxed or mailed to CSC.



USDA RURAL DEVELOPMENT GUARANTEED RURAL HOUSING LOAN FINANCING

GUARANTEED RURAL HOUSING (GRH) LOAN FINANCING

- Loans up to 100% of market value (102% with GRH fee financed) with no down payment.
- Loans for new construction, purchase of new or existing dwellings, necessary repairs.
- Homes located in rural area (population 20,000 or less) and Columbus and Norfolk.
- Loan closing costs can be financed within 100% of appraised value.
- One time guarantee fee (2%) of loan amount charged. Guarantee fee can be financed to allow a 102% loan. Annual fee of .3% based on average annual unpaid principal balance. The annual fee can be added to the monthly escrow from the borrower and paid out of escrow annually.
- Clients work with traditional mortgage lenders of their choice who are approved for participation in the GRH program.
- Competitive fixed 30 year interest rates.
- GRH program can be used with NIFA loan products.
- Applicant not required to be first time home buyer, however, if using the GRH program in conjunction with NIFA, must also meet NIFA criteria.
- Generous income limits. Cannot exceed moderate income limit for the county.**
- No maximum purchase price limit.
- Homes must meet HUD property standards to insure the property is structurally sound and functionally adequate. Inspections are completed by appraisers or other knowledgeable inspectors.

**ALL household income must be considered (even if not the applicant or co-applicant) when determining if the family meets the qualifying household income limits. Income limits for applicable counties are available at <http://eligibility.sc.egov.usda.gov>.

MANAGING THE GUARANTEED LOAN TRANSACTION

1. Clients meet with a participating mortgage lender of their choice. A list of lenders approved to participate in the GRH program is available at:
<http://www.rurdev.usda.gov/ne/LenderList.pdf>



Applicant eligibility criteria:

- ◆ Dwelling must be used as a primary residence on a permanent basis and located in a rural community (population 20,000 or less and Columbus and Norfolk).
 - ◆ Must have acceptable credit demonstrating timely payment of obligations. Credit scores of 640 or greater are typically considered as acceptable, however credit scores below 640 may also be considered if there are mitigating circumstances. Additionally, applicants must be unable to obtain conventional credit at reasonable rates and terms.
 - ◆ Have repayment for the loan: PITI 29%; Total Debt 41% (higher ratios allowed with higher credit scores).
 - ◆ Steady and dependable income.
 - ◆ Annual income cannot exceed the moderate income limit.
2. Clients complete the loan documents with the lender. Lender processes and underwrites the loan.

AUTOMATED UNDERWRITING - An automated underwriting system is available to approved lenders specifically for the Guaranteed Rural Housing Program that allows lenders to pre-qualify applicants and process the application with less paperwork and reduced time.

3. Lender orders the appraisal. Lender contacts the agent, seller, and client if there are necessary repairs.
4. Lender submits the underwritten loan package to the local Rural Development office for guarantee review. Rural Development issues a conditional commitment to the lender within 24-48 hours.
5. Lender closes the loan and submits the guarantee fee to Rural Development.
6. Rural Development issues the guarantee to the lender.



**GRH financed home
Laurel, Nebraska**

GUARANTEED FINANCING: "BEST FOR THE BORROWER"

COMPARE WHAT RURAL DEVELOPMENT GUARANTEED FINANCING OFFERS YOUR CLIENTS



- ⇒ Loan payment based on \$100,000 loan
- ⇒ 6% interest rate
- ⇒ Real estate taxes and homeowners insurance not in payment to illustrate loan comparison

Effective October 1, 2011

The payment and calculations below are for information purposes only

	RD Current	RD New (10/01/11)	FHA New (04/18/11)
Fee Structure	3.5% Upfront Fee	2% Upfront fee= .3% annual	1% Upfront fee= 1.15 annual
Interest Rate	6%	6%	6%
Loan Term	30 years	30 years	30 years
Down Payment	\$0	\$0	\$3,500 (3.5%)
Base Loan	\$100,000	\$100,000	\$96,500
Up Front Fee	\$3,626.94	\$2,040.82	\$965
Total Loan	\$103,626.94	\$102,040.82	\$97,465
Principal & Interest Payment	\$621.29	\$611.78	\$584.35
Annual Mortgage Insurance	\$0	\$25.36	\$92.48
Total Monthly Payment	\$621.29	\$637.14	\$676.93
Without Upfront Fee Financed	\$599.55	\$624.41	

RD implemented a reduced upfront fee of 2 percent and implemented a .3 percent annual fee effective October 1, 2011. This has allowed the program to remain "budget neutral", meaning it will no longer rely on tax payer dollars.

Based on the above scenario, RD still offers the least out of pocket costs with NO DOWNPAYMENT and continues to have a lower monthly payment of almost \$40 per month after both fee changes were implemented.

100% GUARANTEED FINANCING IS STILL TOUGH TO BEAT!

- *Lowest payment
- *Least out of pocket cost
- *Competitive fixed rate
- *Affordable loan terms
- *Opportunity to serve more clients



GUARANTEED RURAL HOUSING PROGRAM



GRH Financed Home-Waverly, Nebraska

#1: TRULY A 100% PRODUCT—NO DOWN PAYMENT REQUIRED

Closing costs, repairs, etc. may be rolled into the loan up to the appraised value and the GRH fee can be financed above the appraised value to allow for a 102% loan.

#2: HIGHER HOUSING & TOTAL DEBT RATIOS THAN CONVENTIONAL CREDIT

Qualifying ratios of 29/41 with ratio waivers available when needed. Credit scores of 640 or greater are typically considered as acceptable, however credit scores below 640 may also be considered if there are mitigating circumstances. Non-traditional credit histories accepted.

#3: Although the fee structure has changed, RD STILL OFFERS THE LEAST OUT OF POCKET COSTS and CONTINUES TO HAVE AN AFFORDABLE MONTHLY PAYMENT!



WHY WOULDN'T A CLIENT CHOOSE A RURAL DEVELOPMENT LOAN?

They live in an ineligible area (Ineligible areas include Dakota City, South Sioux City, Fremont, Grand Island, Hastings, Kearney, Lincoln, North Platte, Omaha (including Elkhorn & Bellevue).

They make too much money (exceed the moderate income limit).



They already own adequate housing in the local commuting area.

ELIGIBILITY REQUIREMENTS?

Eligibility Web site

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



- * **Eligible areas (Single Family Housing)**
- * **Quick client qualifier: income eligibility**
- * **Income limits by state**

The screenshot shows the USDA Rural Development website. At the top, there is a navigation bar with the USDA logo, the text 'United States Department of Agriculture Rural Development', and the Rural Development logo with the slogan 'Committed to the Future of Rural Communities'. Below this is a banner with four images: green leaves, a yellow field, a bicycle, and a person working in a field. A navigation menu includes 'Home', 'About SCA', and 'Contact Us'. The main content area has a breadcrumb trail 'You are here: Eligibility /Home' and a green header 'Eligibility'. A warning box states: 'You must use [Internet Explorer 5.0](#) and higher or [Netscape 4.76](#) and higher in order to view this site. Best viewed using screen resolution of 1024 X 768.' Below this is the title 'Welcome to the USDA Income and Property Eligibility Site'. The main text explains the site's purpose: 'This site is used to determine eligibility for certain USDA home loan programs. In order to be eligible for many USDA loans, household income must meet certain guidelines. Also, the home to be purchased must be located in an eligible rural area as defined by USDA.' It provides instructions on how to use the site, mentioning links for 'Loan Program Basics', 'Property Eligibility', and 'Income Eligibility'. A left-hand navigation menu lists categories like 'Eligibility', 'Property Eligibility Programs', 'Income Eligibility Programs', 'Income Limits', and 'Loan Program Basics', each with sub-links.



PROPERTY AND SITE REQUIREMENTS (GUARANTEED AND DIRECT LOAN PROGRAMS)



EXISTING PROPERTIES financed by Rural Development must be structurally sound and functionally adequate. Water and septic inspections may be required if the property is served by individual systems. Termite inspections may be required.

GRH Program: Property must meet HUD minimum property standards. Inspections may be completed by appraisers on the HUD appraiser roster or by other inspectors who are knowledgeable of HUD guidelines.

Direct Program: Inspections must be made by qualified inspectors for plumbing, heating/cooling, electrical, and structural if necessary.

Flood certifications to be obtained on all properties. Existing properties in a flood hazard area require an elevation survey, flood insurance and additional review by Rural Development for acceptance. New homes cannot be located in flood hazard areas.

Value of the site cannot exceed 30% of the total value of the property.

Property must be considered residential. Acreages may be loaned on, however, Rural Development typically cannot loan on properties that contain farm service buildings or are income producing.

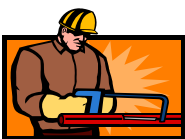
Appraisals must be completed by licensed or certified appraiser. For the GRH program, the lender is responsible for obtaining a qualified appraiser. For the Direct program, Rural Development Field Offices will order the appraisal from an acceptable appraiser.



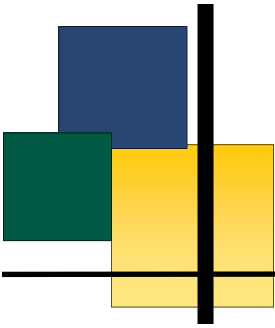
MANUFACTURED HOUSING is housing formerly referred to as mobile homes or trailers. This housing is built in a factory on a non-removable steel chassis and is built to conform to Federal Building Codes, called the HUD code, rather than building codes at their destination. New manufactured homes can be financed if the manufactured dealer contractor is on the Rural Development approved dealer contractor list. The manufactured

home must be placed on a permanent foundation. Contact your local Rural Development Field Office for a copy of approved manufactured dealer-contractors for Rural Development programs.

Existing manufactured homes cannot be financed.



NEW CONSTRUCTION (including modular housing) dwelling plans and specifications must be certified by a licensed architect, an engineer or other acceptable code official verifying that the planned construction meets the 2003 International Residential Building Code and 2006 International Energy Conservation Code for thermal standards. Minimum construction inspections must be completed: (1) footings while under construction, (2) after the dwelling is framed in and (3) final inspection once all work is completed.



HOMEBUYER EDUCATION



Purchasing a home is likely one of the largest investments a buyer will make.

Homebuyer Education Requirements for Rural Development Programs

Homebuyer education is an important tool for homeownership success. It helps to ensure that first time buyers are informed and educated about the process and responsibilities with owning a home.

DIRECT LOAN PROGRAM

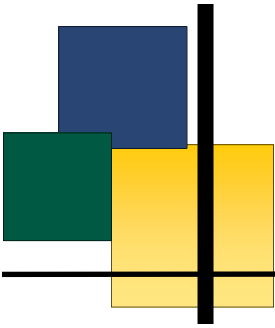
Rural Development requires homebuyer education for first time buyers, prior to the loan being closed.

Qualified providers: REACH certified affiliates or NeighborWorks, Inc. Some exceptions may apply. REACH has statewide member agencies and information can be obtained by calling 1-888-879-3403 or on the web at <http://www.housingdevelopers.org/REACHweb/>.



GUARANTEED RURAL HOUSING (GRH) LOAN PROGRAM

For the GRH program, lenders are encouraged to offer or provide home ownership counseling. Lenders may require first-time homebuyers to undergo such counseling if it is readily available. If required by the lender, GRH applicants should discuss with their lender the type of homebuyer education to be completed.



RESOURCES AVAILABLE ON THE WEB

USDA RURAL DEVELOPMENT-NEBRASKA: <http://www.rurdev.usda.gov/ne/>

The web site provides information about our housing programs, agency and lender contacts and additional eligibility information, as well as links to many other Rural Development web sites. **CHECK IT OUT!!!!**

INCOME AND PROPERTY ELIGIBILITY: <http://eligibility.sc.egov.usda.gov>

Visit this web site for determining if a property is located within an eligible area, applicant income eligibility and income limits for the Rural Development housing programs.

GUARANTEED HOME LOAN OPPORTUNITIES: http://www.rurdev.usda.gov/rhs/sfh/GSFH_Information/GSFH_Specific.htm This web site is tailored specifically for the Rural Development Guaranteed Single Family Housing Community: Individuals and Families, Lenders, Realtors, Builders and Contractors.

NEBRASKA INVESTMENT FINANCE AUTHORITY: <http://www.nifa.org/>

Nebraska Investment Finance Authority (NIFA) is a state housing agency in Nebraska. NIFA can assist first time homebuyers to obtain financing through single family bond issues, which typically allows for lower interest rates. The NIFA program can be used in conjunction with the Rural Development GRH program.

SUCCESS STORIES: http://www.rurdev.usda.gov/ne/success_stories.htm

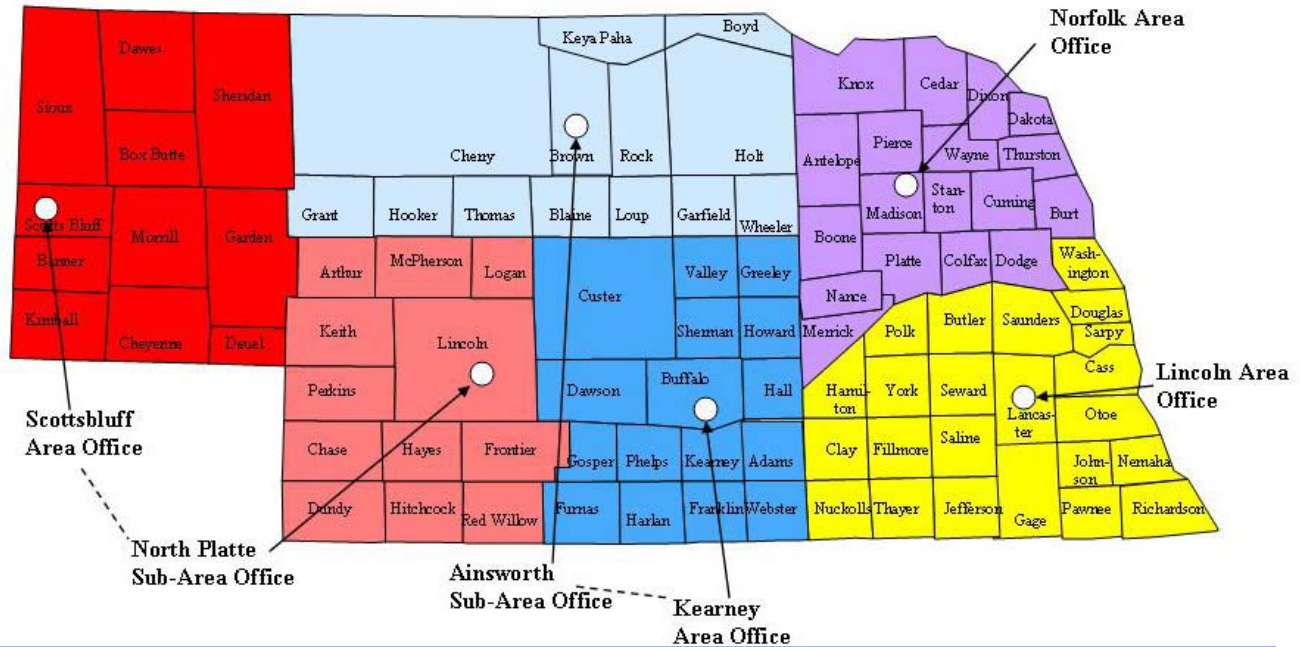
This link provides success stories of housing assistance provided to families in Nebraska through Rural Development in partnership with Realtors, lenders and non-profit organizations.

**Crystal and Miguel Alarcon
Crete, Nebraska**



USDA RURAL DEVELOPMENT OFFICE DIRECTORY

RURAL DEVELOPMENT NEBRASKA OFFICES



State Office (402) 437-5551 Fax (402) 437-5408
Rm 152 Federal Bldg, 100 Centennial Mall North, Lincoln, NE 68508

Kearney Area Office (308) 237-3118 Fax (308) 236-6290
4009 6th Avenue, Kearney, NE 68845-2386

Ainsworth Sub-Area Office (402) 387-2242 Fax (402) 387-0968
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