

Section 502 Direct Loans

For more information, contact the local office near you, or visit our website at:

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

USDA Rural Development provides owner occupied, Single Family Housing loans to eligible low income applicants who are unable to obtain credit elsewhere. Applicants may obtain 100% Direct financing to:



- Purchase and/or repair **new or existing housing (including new manufactured housing)**
- Purchase a building site and **construct a dwelling**
- Build a home with the **Self Help** method. Under this program, applicants provide sweat equity labor to build their own homes.
- Purchase a **government owned home** or **assume** an existing 502 Direct loan.

For a list of government owned homes visit <http://www.resales.usda.gov>

All properties financed must be located in a rural area. In most cases, an area is considered rural if the population is 10,000 or less. The following website can be used to help you determine both applicant and property eligibility: <http://eligibility.sc.egov.usda.gov/eligibility/>.

Based on income level, applicants may qualify for monthly payment assistance (subsidy), which is subject to recapture when the loan is paid off. Eligibility requirements include but are not limited to:

- **Adjusted household income** which is at or below 80% median income (see chart on page 2). Adjusted income calculated by subtracting eligible deductions from the gross income of all adult household members.
- **A satisfactory credit history.** A credit score of 640 or above typically indicates satisfactory credit. However, applicants with lower scores, or who have had credit difficulties, may be eligible under certain circumstances.
- **A stable source of income**, which provides adequate **ability to repay** the loan payments.
- Be a **U.S. Citizen or legally admitted U.S. resident** who is **18 years of age** or older and is **able to enter into a binding contract**.
- Meet **other eligibility** requirements

Sample Adjusted Income Calculation for a Family of 6 with 4 children:

Gross Annual Income:	\$65,000
Minus	
\$480 deduction per child:	\$ 1,920
Minus	
\$600 per month daycare:	\$ 7,200
Adjusted Income	\$55,880

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For a **FREE loan Pre-Qualification**
contact one of our offices today!

SECTION 502 Direct Program INCOME and AREA LOAN LIMITS

Office	County	Maximum Adjusted income limits per number in household								Maximum Property Value/Loan Amount
		1	2	3	4	5	6	7	8	
Mount Vernon Phone: (360) 428-4322 Ext 4.	Island	\$43,600	\$49,850	\$56,050	\$62,300	\$67,300	\$72,250	\$77,250	\$82,250	\$ 312,200
	King	\$45,100	\$51,500	\$57,950	\$64,400	\$69,550	\$74,700	\$79,850	\$85,000	\$ 324,900
	San Juan	\$38,000	\$43,450	\$48,850	\$54,300	\$58,650	\$63,000	\$67,350	\$71,700	\$ 360,900
	Skagit	\$35,200	\$40,200	\$45,250	\$50,250	\$54,250	\$58,300	\$62,300	\$66,350	\$ 290,900
	Snohomish	\$45,100	\$51,500	\$57,950	\$64,400	\$69,550	\$74,700	\$79,850	\$85,000	\$ 314,800
	Whatcom	\$36,050	\$41,200	\$46,350	\$51,500	\$55,600	\$59,750	\$63,850	\$68,000	\$ 280,900
Port Angeles Phone: (360) 452-8994 Ext 4.	Clallam	\$31,250	\$35,700	\$40,200	\$44,650	\$48,200	\$51,800	\$55,350	\$58,950	\$ 265,600
	Jefferson	\$33,450	\$38,200	\$43,000	\$47,750	\$51,550	\$55,400	\$59,200	\$63,050	\$ 286,900
	Kitsap	\$40,250	\$46,000	\$51,750	\$57,500	\$62,100	\$66,700	\$71,300	\$75,900	\$ 288,200
Olympia Phone: (360) 704-7760	Grays Harbor	\$31,000	\$35,450	\$39,850	\$44,300	\$47,850	\$51,400	\$54,950	\$58,500	\$ 244,800
	Lewis									\$ 241,900
	Mason	\$32,650	\$37,300	\$42,000	\$46,650	\$50,400	\$54,100	\$57,850	\$61,600	\$ 244,800
	Pierce	\$39,000	\$44,550	\$50,150	\$55,700	\$60,150	\$64,600	\$69,050	\$73,500	\$ 286,900
	Thurston	\$40,250	\$46,000	\$51,750	\$57,500	\$62,100	\$66,700	\$71,300	\$75,900	\$ 274,800
Brush Prairie Phone: (360) 883-1987 Ext. 4	Clark	\$39,850	\$45,550	\$51,250	\$56,950	\$61,500	\$66,050	\$70,600	\$75,150	\$ 271,600
	Cowlitz	\$32,550	\$37,200	\$41,850	\$46,500	\$50,200	\$53,950	\$57,650	\$61,400	\$ 249,800
	Pacific	\$31,000	\$35,450	\$39,850	\$44,300	\$47,850	\$51,400	\$54,950	\$58,500	\$ 234,800
	Wahkiakum	\$35,000	\$40,000	\$45,000	\$50,000	\$54,000	\$58,000	\$62,000	\$66,000	\$ 241,600
Wenatchee Phone: (509) 663-4019 Ext. 4	Chelan	\$32,850	\$37,500	\$42,200	\$46,900	\$50,650	\$54,400	\$58,150	\$61,900	\$ 252,700
	Douglas									\$ 211,700
	Ferry	\$31,000	\$35,450	\$39,850	\$44,300	\$47,850	\$51,400	\$54,950	\$58,500	\$ 190,400
	Grant									\$ 206,700
	Lincoln									\$ 195,400
	Okanogan									\$ 201,700
	Pend									\$ 215,400
	O'Reille									\$ 210,400
	Stevens									\$ 230,400
Spokane	\$33,800	\$38,600	\$43,450	\$48,250	\$52,100	\$55,950	\$59,850	\$63,700	\$ 230,400	
Yakima Phone: (509) 454-5740 Ext. 4	Adams	\$31,000	\$35,450	\$39,850	\$44,300	\$47,850	\$51,400	\$54,950	\$58,500	\$ 180,400
	Asotin	\$30,750	\$35,100	\$39,500	\$43,900	\$47,400	\$50,900	\$54,450	\$57,950	\$ 187,200
	Benton	\$36,400	\$41,600	\$46,800	\$52,000	\$56,150	\$60,300	\$64,500	\$68,650	\$ 212,200
	Columbia	\$32,300	\$36,900	\$41,550	\$46,150	\$49,850	\$53,550	\$57,250	\$60,900	\$ 187,200
	Franklin	\$36,400	\$41,600	\$46,800	\$52,000	\$56,150	\$60,300	\$64,500	\$68,650	\$ 212,200
	Garfield	\$31,000	\$35,450	\$39,850	\$44,300	\$47,850	\$51,400	\$54,950	\$58,500	\$ 212,200
	Kittitas	\$33,950	\$38,800	\$43,650	\$48,500	\$52,400	\$56,250	\$60,150	\$64,000	\$ 252,200
	Klickitat	\$31,000	\$35,450	\$39,850	\$44,300	\$47,850	\$51,400	\$54,950	\$58,500	\$ 201,600
	Skamania	\$39,850	\$45,550	\$51,250	\$56,950	\$61,500	\$66,050	\$70,600	\$75,150	\$ 261,600
	Walla Walla	\$32,850	\$37,500	\$42,200	\$46,900	\$50,650	\$54,400	\$58,150	\$61,900	\$ 247,200
	Whitman	\$32,950	\$37,650	\$42,350	\$47,050	\$50,800	\$54,600	\$58,350	\$62,100	\$ 200,400
	Yakima	\$31,000	\$35,450	\$39,850	\$44,300	\$47,850	\$51,400	\$54,950	\$58,500	\$ 212,200

