



NEWS RELEASE

United States Department of Agriculture – Rural Development
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AGRICULTURE DEPUTY SECRETARY MERRIGAN ANNOUNCES USDA HAS HELPED 50,000 AMERICANS BECOME HOMEOWNERS

Milestone Highlights How American Recovery and Reinvestment Act is Helping Families Throughout the Country

DAVIS, Calif. August 7, 2009 – Agriculture Deputy Secretary Kathleen Merrigan announced this week that 50,000 rural families have attained the dream of becoming homeowners with the help of funding provided by the American Recovery and Reinvestment Act. These funds have been made available through a variety of programs administered by USDA Rural Development as part of President Obama’s aggressive efforts to strengthen rural communities.

“Revitalizing rural America is one of President Obama’s top priorities, and this investment is not only helping families to become homeowners, but it’s also building rural communities by putting money back into the local economy,” Merrigan said. “Homeownership is critical to increasing economic opportunity and building a rural America that will succeed in a 21st century.”

In communities across the nation, the American Recovery and Reinvestment Act funding is having positive effects for individuals, families, communities and local economies. USDA Rural Development offers guaranteed and direct single-family home loans to eligible rural residents who are unable to secure a conventional loan. In contrast to conventional loans made by lenders such as banks and credit unions, Rural Development loans are made by USDA directly to the borrower. Down payments are not required, and payments are based on the borrower’s income.

Two of California’s beneficiaries of the Recovery Act funding are Jorge and Elva Perez, farm workers from the Salinas Valley who received a USDA Rural Development direct loan to buy a home in Greenfield, Calif. Although the couple has worked hard all their lives, high home prices and limited reserves for a down payment prevented them from securing a conventional loan. Without Recovery Act funds the Perez’s still would not have been able to realize their dream of purchasing a home of their own. In total, over 1,300 families and individuals living in rural communities throughout the Golden State have used Recovery Act funds to buy a home.

USDA Rural Development’s mission is to increase economic opportunity and improve the quality of life for rural residents. Rural Development fosters growth in homeownership, finances business development, and supports the creation of critical community and technology infrastructure. Further information is available at one of California’s 18 local USDA Rural Development offices or by visiting <http://www.rurdev.usda.gov/ca>.

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