



Committed to the future of rural communities



COLORADO

Housing Programs

Single Family and Multi-Family

www.rurdev.usda.gov/co



Welcome to USDA Colorado Rural Development!

USDA Rural Development is the only agency in government which provides loan and grant funding to build a community from the ground up. Our 40 programs are designed to assist rural communities with housing, infrastructure, business and cooperative development, and community facility needs.

We are an investment bank for rural America. Our programs increase economic opportunity and improve the quality of life for Colorado's rural residents. In Colorado, our employees are ready to provide that assistance in our six field offices across the state and in the State Office in Lakewood.

This booklet highlights the programs offered. For more detailed program information visit our web page at <http://www.rurdev.usda.gov/co> or contact any of our field offices, or the State Office.

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You could be eligible for USDA Rural Development's Single Family Housing Programs....

- If you live in a rural community with a population of 10,000 or less; or certain communities with populations up to 20,000.
- If you cannot obtain conventional financing.
- If your income is within agency guidelines.
- If you are able to repay a loan and meet credit requirements.

Eligibility for Single Family Housing Programs is based on area median income and household composition.

To help determine eligibility for single family housing programs visit <http://eligibility.sc.egov.usda.gov> and click on "income eligibility" programs - single family housing or contact the nearest Rural Development field office.

Direct Home Loan Program

(Section 502 - Direct)

The ***Direct Home Loan Program*** assists very low and low income applicants (up to 80% of the area median income), who do not currently own a home and are unable to qualify for conventional financing, with the opportunity to become a homeowner.

Under this program, individuals or families receive a loan directly from Rural Development. Loans are made for the purchase of an existing home or to build a new home and are amortized over a 33 year period at a fixed interest rate. Payments are based on income, with no downpayment required. Mortgage limits are determined by the household's county.

Applicants must be able to repay the loan and have credit which displays a willingness to pay debts in a consistent and timely manner. Properties must generally be in good condition. The agency may also loan funds to bring a property into good condition.

Guaranteed Loan Program

(Section 502 - Guaranteed)

If you are low income or your income is too high to qualify for a direct housing loan, you may qualify for the **Guaranteed Loan Program**. These loans are made to homeowners by local and national mortgage lenders and are guaranteed by USDA Rural Development.

This opportunity allows lenders to make loans to people they would not otherwise be able to serve. Guaranteed housing loans are available to applicants whose incomes are below 115% of the area median income. Additionally, an applicant's total debt must not exceed 41% of their gross monthly income. No downpayment is required and there are no mortgage limits. Loans are for 30 years at a fixed interest rate, negotiated between the lender and the buyer.



Guaranteed Home in Ordway, CO

Mutual Self Help Housing Loan Program

(Section 502 - Direct)

Many rural families achieve the American dream of owning their own home through the ***Mutual Self Help Housing Program***. Under this program, families work together on a group of homes and provide a substantial portion of the labor involved in the building process. This “sweat equity” contribution reduces the cost of purchasing a home. At the end of construction, homeowners have built up an average amount of \$15,000 - \$20,000 equity in their home. Under this program, Rural Development funds the construction financing and provides homeowners with a Direct Home Loan after the home is complete. This program is not available in all areas. Contact your nearest office to find out where self help builds are currently being planned.



Pictured are Mutual Self Housing Homeowners in Canon City, CO

Home Repair Assistance

(Section 504)

If you are already a homeowner and your home needs some essential repairs or upgrades, you may be eligible for improvement or repair assistance through the USDA Rural Development ***Home Repair Loan and Grant Program***.

Homeowners with very low income, may be eligible to receive a loan for repairs to improve, modernize, or remove health and safety hazards from their home. Seniors aged 62 years and older, who cannot afford to repay a loan, may be eligible for grant funds for essential repairs. In addition, seniors may combine loan and grant funds to complete large repair projects.

Common types of repairs financed through this program include: fixing or replacing roofs, modernizing heating and wiring systems, and making homes accessible for people with disabilities. Funding may also be used to install insulation, storm windows, septic systems, indoor plumbing, and an array of other essential items.

Under this program, the maximum loan amount is \$20,000 at an interest rate of 1% amortized up to 20 years. The maximum grant amount is \$7,500.

USDA Rural Development's Multi-Family Housing Programs....

Finding adequate rental housing can be difficult for people with very low, low, or moderate incomes in rural areas. The lack of affordable rental housing can have profound effects on rural communities such as:

- * Elderly citizens may not be able to find a suitable place to live close to the amenities they need.
- * The local workforce may also be unable to find suitable living arrangements and may be forced to leave the area or live in substandard housing.

The USDA Rural Development Multi-Family Housing Program addresses the need for affordable rural rental housing by providing funding to potential lenders/developers to assist in building new complexes across the state.

Every year a Notice of Funding Availability (NOFA) is published in the federal register indicating loan limits and other requirements for a complete application. For more information on Multi-Family programs in Colorado contact the Lakewood State Office at (720) 544-2923.

In Colorado there are over 150 multi-family housing complexes providing seniors, individuals/families, and farm workers with safe and decent rental housing. Some complexes may have units with rental assistance. Please contact the complex directly to see whether a rental assistance unit is available. To find a complex in your area, visit <http://www.rurdev.usda.gov/co/mfh-complexes.html>

Rural Rental Housing Loan Program

(Section 515)

The **Rural Rental Housing Loan Program** (Section 515) provides financing to build affordable multi-family rental housing in designated rural areas. The initial term for this loan is 30 years with a 50-year amortization. Loans are made to provide housing for very low to moderate income families, elderly, and persons with disabilities.

Loan funds can be used for new construction and rehabilitation of existing units. Eligible applicants include: non-profit and for-profit organizations, trust associations, partnerships, limited partnerships, state or local public agencies, Native American tribes, and consumer cooperatives.

Borrowers may receive subsidized credit (interest credit) which reduces the interest rate on the loan so rents will remain affordable.

Guaranteed Rural Rental Housing Program

(Section 538)

The **Guaranteed Rural Rental Housing Program** is designed to increase the availability of affordable housing and supply of moderately priced housing in rural areas with populations below 20,000. The program encourages private and public lenders to make new loans. Rural Development guarantees up to 90% of the loan amount with a term from 25 to 40 years. Loans are provided by approved lenders. Borrowers can be non-profits, public bodies, or for-profit developers. This program may also be utilized in conjunction with existing 515 properties in need of rehabilitation.

Farm Labor Housing Program

(Section 514/516)

The **Farm Labor Housing Program** provides low interest loans and grants to public or non-profit agencies, limited partnerships with a non-profit general partner, Native American tribes, non-profit farmworker organizations, or an agency or political subdivision of State or local government to build affordable rental housing for farm workers. Eligible areas must serve farm labor and demonstrate a need in the area. In addition to construction, loan and grant funds may be used for reimbursement of technical assistance, initial operating expenses up to 2% of the total development cost, tenant related facilities, and for furnishings for seasonal migrant use. For loans, the interest rate is 1% for a loan term of 33 years. Grant funds may be available to cover a portion of the total development cost.

Housing Preservation Grant Program

(Section 533)

Nonprofit organizations, public bodies, and Native American tribes seeking to renovate deteriorating homes and rental properties may apply for funds under the **Housing Preservation Grant Program**. Grant funds are available to repair and bring up to code properties occupied by families with very low and low incomes. The non-profit administers the funds and sets criteria on how and who can apply for the funding. These grants may be used in conjunction with funds from other sources, including local and State governments and grants from private business.

Faith Based and Community Initiative

As part of the President's Faith Based and Community Initiative, USDA partners with faith based and community organizations to alleviate hunger and build strong communities. These efforts to equip and empower faith-based groups are strengthening services to communities in need through:

Mutual Self-Help Housing - a method of building homes that empowers low-income individuals and families to build their own homes, and teaches valuable skills. USDA Rural Development provides grants to qualified nonprofit and public organizations to support these innovative efforts.

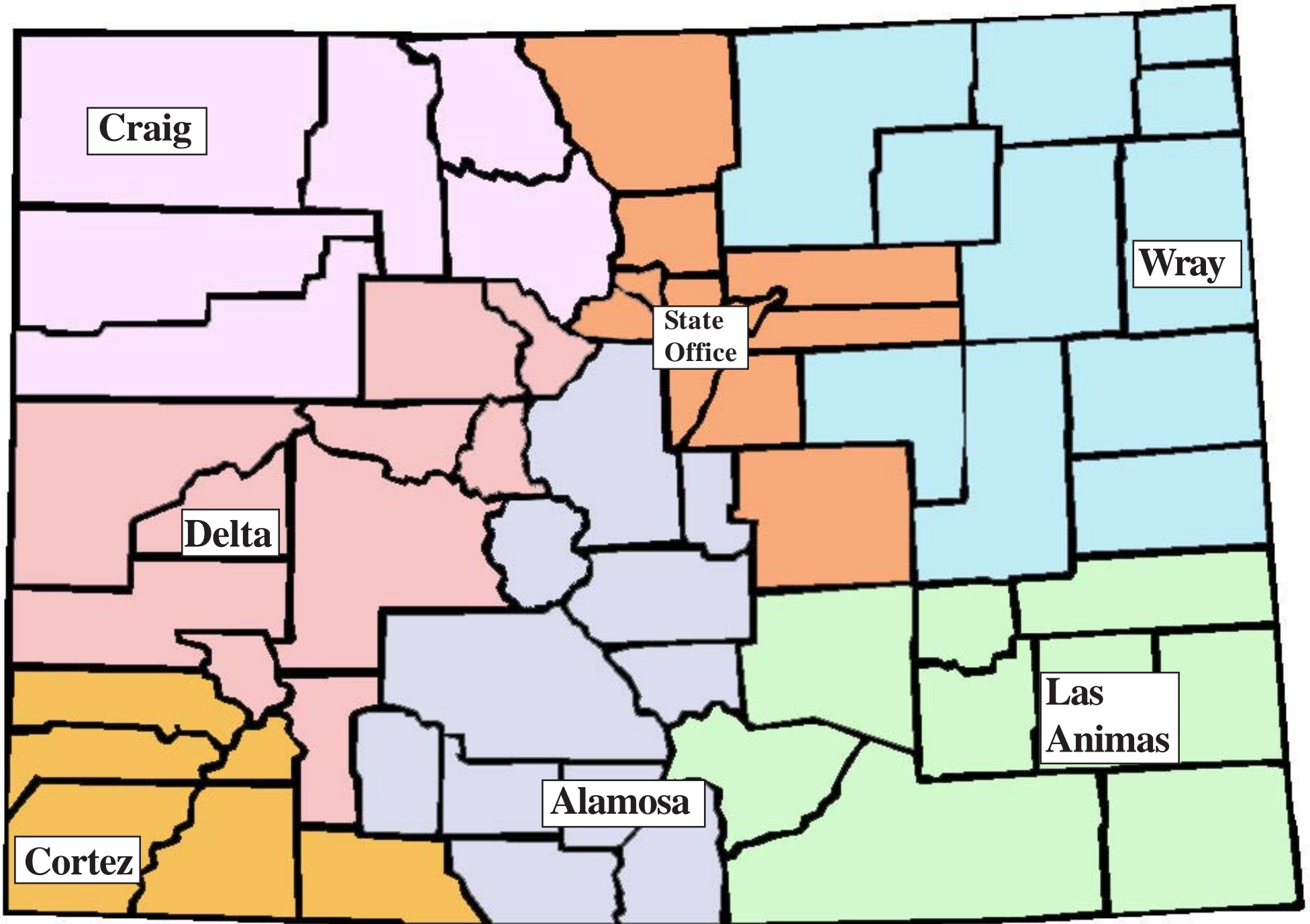
Multi-Family Housing - provides loans and loan guarantees to nonprofit and for-profit developers to build affordable rural rental housing.

Farm Labor Housing - provides decent, safe, and affordable low-rent housing to domestic farm laborers through loans and grants to States, local governments, nonprofit organizations, and others.

Community Facilities programs - provides grants, loans, and loan guarantees to public entities, nonprofit organizations, and tribal governments to develop essential community facilities such as schools, libraries, medical clinics, community centers, and fire and rescue stations in rural areas and towns of up to 20,000 in population.

Sale or Lease of Real Estate Owned (REO) Single Family Properties - provides non-profits organizations the opportunity to purchase non-program REOs at a reduced price if used as transitional housing for the homeless. Additionally, the non-profit organization may lease the property for \$1.00 per year to utilize the property for transitional housing for the homeless.

Colorado Rural Development Office Locations



Lakewood State Office: 655 Parfet Street, Lakewood, CO 80215, (720) 544-2903.

***Alamosa:** 101 S. Craft Drive, Alamosa, CO 81101, (719) 589-5661, ext. 4.

**Office has Multi-Family Housing Staff*

Cortez: 628 West 5th Street, Cortez, CO 81321, (970) 565-8416, ext. 4.

Craig: 145 Commerce Street, Craig, CO 81625, (970) 824-3476, ext. 4.

***Delta:** 690 Industrial Blvd., Delta, CO 81416, (970) 874-5735, ext. 4.

**Office has Multi-Family Housing Staff*

***Las Animas:** 760 Bent Avenue, Las Animas, CO 81054, (719) 456-0120, ext. 4.

**Office has Multi-Family Housing Staff*

***Wray:** P.O. Box 405, 247 N. Clay Street, Suite #2, Wray, CO 80758,

(970) 332-3107, ext. 4. **Office has Multi-Family Housing Staff*