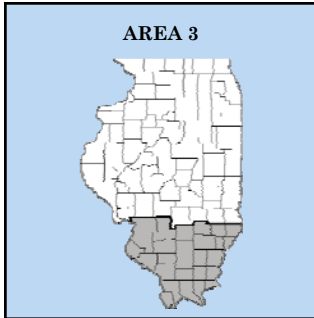




Committed to the future of rural communities.

# Rural Development News and Highlights

Volume 3 Issue 9



United States Department of Agriculture –Area 3: serving 30 Southern Illinois counties

June 2009

## USDA Rural Development Assists Homeowners with One Percent Repair Loans

Coulterville, Ill., March 18, 2009— It happened at about 1:30 a.m. when Ms. Karlyon Jones heard a loud noise outside her house. When she went to investigate, she found that her basement wall had collapsed. Not knowing what else to do, she called her sons and son-in-law for help. They got to work immediately and installed braces and cribbing to prevent further damage. The following morning Jones contacted her insurance company and reported that 24 feet of her basement had collapsed and she was concerned for her safety and well-being. After the assessments were made by the insurance adjuster, she was informed that the insurance company denied her claim stating the cause was from hydrostatic pressure, an item not covered by her insurance.



Karlyon Jones of Coulterville, Illinois turned to USDA Rural Development for help when 24 feet of her basement collapsed a few months ago.

Rural Development Specialist Melodie Rushing worked with her and found Jones eligible for a one percent 504 repair loan. When the repairs were completed, Jones basement was like new again and stronger than ever. “I sure appreciate the help Rural Development gave me, because without them, I would not have a home,” Jones stated proudly.

(Continued on page 2)

## Rural Development Kicks off Homeownership Month by Providing Homebuyer’s Classes

Area Specialist Jim Davis has been teaching pre-purchase homebuyer classes for a number of years. In January of 2003, Rural Development began requiring direct home loan applicants to complete an educational program that helps them make informed decisions about purchasing a home. The classes are also open to homebuyers using the guaranteed home loan program.

Applicants for Rural Development’s direct home loan program must provide a valid letter or certificate of completion of a homeownership education program prior to the approval and closing of their mortgage loan. “Ideally, loan applicants would attend a class early in the process of obtaining their loan,” stated Davis, a 26-year veteran with Rural Development.

(Continued on page 3)



Greetings,

June is designated as Homeownership Month. In this issue we are highlighting our housing programs, from one-percent repair loans to Homebuyer’s Education.

Recently Southern Illinois was hit by an “inland hurricane” that resulted in a significant loss to our communities, including structural damage to homes and businesses.

Rural Development has played a significant role in providing a quick response to aid recovery to Southern Illinois counties through our Community Facility grant and loan program. This issue features how we have aided the counties that have been victims of this storm.

Finally, we are happy to announce that Ms. Colleen Callahan has been named by the Obama Administration as our state director.

—Rusty Wanstreet

### CONTACT US

Rural Development can help you finance a home, multi-family housing, business, community facility, or water and sewer systems in rural areas.

Mt. Vernon RD Area Office  
(618) 244-0773 (ext. 4)

Edwardsville RD Area Office  
(618) 656-7300 (ext. 4)

Marion RD Area Office  
(618) 993-5396 (ext. 4)

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

Send editorial comments to:  
[elizabeth.messervey@il.usda.gov](mailto:elizabeth.messervey@il.usda.gov)

Continued from p. 1

## ...One Percent Repair Loans



"Without the help from Rural Development, I would have been without a home," said Karlyn Jones of Coulterville, Illinois.

If you are a current homeowner and can't afford to get needed repairs done to your home, you may qualify for a Rural Development one percent loan like Ms. Jones did. Funds can be used to help weatherize, repair, remove health and safety

hazards and provide energy saving items such as, new thermal windows, heating and cooling units, new siding and roofing. Loans can also be used for improvements to plumbing, electrical, flooring, foundation repairs and more.

A grant may be available to applicants who are 62 years of age or older with very low income and without the ability to repay a loan. Grant funds are limited but may be used to remove health and safety hazards or to remodel dwellings to make them accessible to household members with disabilities. Grants have a lifetime limit of \$7,500. These grants are often combined with loans to increase the amount available for repairs.



McLeansboro, Ill. — Hilda Russell turned to Rural Development for a grant and one-percent loan to help repair her leaking roof. She was able to get a new roof, new siding and new gutters.



## Rural Development Helps Communities through Stormy Weather

Southern Illinois is noted for its beautiful scenery and its ever changing weather. Spring is the time of year to be on watch for the severe thunderstorms that spawn destructive and deadly tornadoes. Southern Illinois is part of the area of the Midwestern United States termed "tornado alley".

The most recent storm that struck Southern Illinois May 8 had recorded winds of 106 miles per hour. The storm was called an inland hurricane with a well defined eye, but is correctly termed as a derecho. The high winds combined with soils saturated by persistent wet weather, resulted in the significant loss of trees in several counties. The damage is still being assessed and is estimated at being in the tens of millions of dollars. Fortunately, just one fatality was recorded. This low death count can be attributed to storm awareness and preparedness.

Bart Hagston, solid waste manager for the Jackson County Health Department was prepared to help clean up the storm's debris thanks to a Solid

Waste Management Grant the Health Department received from USDA Rural Development.

The purpose of the grant was to fund the development of a disaster debris management plan to serve as an annex to the County's Emergency Operations Plan. "Under the grant," said Hagston, "we conducted a series of

*"Without the USDA Rural Development grant to fund the debris planning process, our response would have been much slower," --Solid Waste Manager Bart Hagston, Jackson County Health Department.*

meetings with local government officials and conducted research into the various aspects of debris removal and disposal. Grant funds allowed us to contract with a consulting firm to help write the plan and paid for staff time to manage the process. Having the debris planning process under our belt, we were in a much better position to tackle this debris head-on and help get Jackson County back on the road to recovery. Without the USDA Rural Development grant to fund the debris planning process, our response would have been much slower." Jackson County was able to open up a consolidation site for tree debris

within five days of the storm, and a second site within two weeks. Combined, these sites managed 37,000 cubic yards of debris through June 27.

Rural Development has recently provided funding assistance to Cambria, Norris City, and the Cave-Eastern Fire Protection District to help install early storm warning systems. Weather radios, television, and storm sirens contributed to the fact that injuries and deaths were held to a minimum. In case of bad weather, experts suggest listening to weather alerts on radio or television and, having a battery operated weather radio should the electricity go out.

Rural Development's Community Facility loan and grant program is available to eligible small communities, special districts and not for profit organizations. The funds can be used to purchase or construct essential community needs such as early storm warning systems. Check with your Rural Development Area Office for eligibility and availability of funds for your community.

## Southern Illinois Property Manager Best in the Nation

James E. Covey, Jr. was recognized in Washington, D.C., as the National Multi-Family Housing Site Manager of the Year for family housing. He is the senior manager of the 15 properties operated by Shawnee Enterprises, Inc., headquartered in Marion, and has personal responsibilities for five of the complexes. Covey was a guest of honor at a luncheon held in the nation's capital.

Shawnee Enterprises is a family-owned business and manages multi-family properties in Anna, Benton, Cairo, Carmi, Centralia, DuQuoin, Energy, Harrisburg, Marion, Metropolis, Salem and West Frankfort.

He truly distinguishes himself by his interactions with the tenants. An 85 year old tenant of 25 years summed up the sentiments of many who wrote letters. "Mr. Covey knows how to treat people, and I thank God daily because I live here. I don't want to be anywhere else."

Rural Development Multi-Family Specialist Cathy Abell in the Marion Office prepared Covey's nomination.

Each year Rural Development offices across the country choose the top site managers in their states. National winners in three categories are chosen from among the state winners. The agency provides low-cost financing for multi-family complexes to ensure good, affordable apartments are available for lower income rural residents.



Washington, D.C. — Janet Stouder, USDA's Deputy Director of Multi-Family Housing, presented Jim Covey, senior manager for Shawnee Enterprises of Marion Ill., with a plaque to commemorate his recent designation as National Multi-Family Housing Site Manager of the Year.

Continued from p. 1

## ...Homeownership Education Classes...



Marion, Ill. — First time homebuyers that attend Jim Davis' session learn many lessons in becoming new homeowners.

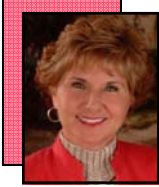
"It helps the homebuyers make an informed decision about their readiness to purchase a home, and eliminates some of the nervousness some buyers may have when speaking with their mortgage lender." The Marion office tries to host at least one class each month, and attendance is open to anyone interested in buying a home. There is no charge for the class.

Classes typically last four hours and are generally scheduled on a Tuesday or Wednesday evening. "We try to provide the applicant with information about the advantages of owning a home versus renting, the importance of a good credit history, the different types of mortgage products that are available, shopping for a home and negotiating

a sales contract," said Davis. "We also try to interject a little humor into our presentation since the class is so long." Budgeting, the loan closing process, and some post-closing topics are also discussed.

Rural Development provides a list of approved homebuyer education providers to all applicants. Direct loan applicants working with other Rural Development offices and unable to attend the classes in Marion may obtain the mandated counseling from other qualified providers including Wabash Area Development, Inc.'s (WADI) Homebuyers Program or from Western Egyptian's Down-payment Plus Program.

For more information on Homebuyers Education classes contact Area Specialist Jim Davis at 618-993-5396 ext. 126



## Obama Administration Names Colleen Callahan Rural Development Director

Colleen Callahan was named the Illinois State Director for Rural Development on June 29. Callahan is currently the president of Chicago Farmers and runs Colleen Callahan Communications, where she has provided communications services to a variety of organizations, including the USDA. In 2008, Callahan was a candidate for the 18th congressional district of Illinois. She has extensive experience in broadcast radio producing segments on agricultural and agri-

Callahan was the first woman elected as President to the National Association of Farm Broadcasting in 2002, and has received many awards for her broadcast work and contributions to agricultural associations. Her family raises pure-bred Angus cattle on a family farm near Kickapoo, Illinois. Callahan has a bachelor's degree in agricultural communications from the University of Illinois at Urbana-Champaign.

### Points of Interest

- On July 23, 2009 The Illinois Rural Water Association (IRWA) is partnering with USDA Rural Development to present a funding workshop. Learn how to access stimulus funds to expand or improve your water system. Presenters are USDA Rural Development Patrick Lydic (Community Programs Director), Illinois Rural Water Association Executive Director Frank Dunmire and Deputy Director Don Craig. The workshop is being held at the Holiday Inn, 2300 Reed Station Road, Carbondale, IL. Register online at: <http://www.ilrwa.org>. or contact IRWA at 217-287-2155.
- Illinois Rural Water Roundtable meets bi-monthly at Ryan's Family Steakhouse located in Mt. Vernon, 1/4 mile west of I-64 & I-57 on Rte 15. Meetings are open to anyone interested in rural water. The meeting time is from 11:30 a.m. to 1:15 p.m. The next meeting is July 8. For further information please contact Area Specialist Mike Wallace at 618-244-0773 ext. 128.
- Interest rates for Water & Waste loans for July 1, 2009 to September 30, 2009 are: Market Rate—4.375%, Intermediate Rate—3.50%, and Poverty Rate—2.625%.
- Interest rate for Community Facility direct loans for July 1, 2009 to September 30, 2009 are: Market Rate—4.375%, Intermediate Rate—4.375%, and Poverty Rate is 4.50%.
- The current interest rate for both Multi-Family Housing (515 Direct) and Single Family Housing (502 Direct) is 4.875% for July 2009.
- Learn how to respond to community needs with innovative lending products or how to meet small business needs with grants and loans. Rural Development is hosting monthly webinars to help meet your financial needs. Join us July 8 to learn about Farm Labor Housing Loans & Grants; August 27 features Single Family Housing Home Repair Loans and Grants, and September 24 the webinar topic will be our Intermediary Relending Program. For information on how to attend our webinars or for future webinars please contact Rusty Wanstreet at 618-993-5396 ext. 125.

### Congratulations to Area 3 2008 Million Dollar Lenders for GRH

Bank of Edwardsville  
Banterra Bank  
Bradford National Bank  
First Company Mortgage Corp.  
Mid America Mortgage Services of IL, Inc.

Murphy-Wall State Bank & Trust Company  
Peoples National Bank  
Taylor, Bean & Whitaker Mortgage Company  
The Bank of Marion  
US Bank

### Blood, Sweat and Tears Award

Rural Development Area Specialist Renee Patton is the first woman to receive The Blood, Sweat and Tears Award for her outstanding dedication and work with the National Association of Credit Specialists for Rural Development.



The newsletter staff extends their appreciation to the Rural Development employees who contributed to this newsletter edition. Area Specialists' Marsha Gajewski, Jim Davis, Cathy Abell, Rural Development Specialist Melodie Rushing, Abby Buchanan, Area Director Rusty Wanstreet, and Rural Development Public Information Coordinator Joan Messina,



USDA is an equal opportunity provider, employer and lender.  
To file a complaint of discriminations, 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).