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# NEWS RELEASE

## HOME OWNERSHIP CELEBRATION KICKOFF

1, 2, 3, let go, was the command and the balloons flew away in a northwesterly direction as the children from a local day care watched in amazement and anticipation. The balloons soared high into the sky, and each of the children claimed that their balloon flew the highest. The balloon lift was a celebration of families and the American dream of home ownership. The balloons disappeared from sight and each child is anxiously waiting to see if their balloon flew the furthest. The winner will receive a saving bond from First National Bank a local lender in Mexico, MO.



Pictured are the children from the daycare with Sharon Sperry, (back right) Director and staff also picture is USDA Rural Development's State Director Morris Westfall, (back left) Sally Pease, USDA Area Specialist and Teresa Fulsom USDA Area Technician



Pictured are Sally Pease, Area Specialist, Manuel Haley, Announcer, and State Director Morris Westfall, USDA RD State Durector

The celebration continued with the USDA Rural Development State Director taking part in a recognition presentation. A plaque was presented to Mexico's KWWR/KXEO Radio station announcer Manuel Haley for the station's commitment to the area listeners in sharing information on projects and programs offered through Rural Development.

Rural Development offers very-low to low income individuals and families the chance to share in the American Dream of home ownership. There are programs in place that will assist these individuals and families with the process of purchasing there own piece of the American pie.

Rural Development offers 3 types of assistance to low and very low income individuals and families. First there is the 502 Direct loan program where the interest can be subsidized by the federal government, which in turn makes the mortgage payment for the borrower much lower. Our

current interest rate is 5.375 percent, if a person or family qualifies that interest rate maybe subsidized down to as low as 1 percent. This loan is a 33 year fixed rate loan and for some individuals that qualify the terms may go up to 38 years.

Secondly, there is the 502 Guarantee loan program. This program is for the moderate income individuals and families. With this program, a conventional lender (bank, saving and loan, mortgage company, etc.) actually make the loan and Rural Development guarantees 90 percent of the loan. More individuals and families may be eligible to become homeowners of a new home or an existing home. For households that qualify for financing, no money down is required since 100% loans are available under this program. Some or all of the closing costs may also be included in the loan if they are within the appraised value of the home. Loan payments are based on market interest rates with a 30 year fixed term. Both real estate taxes and insurance are typically escrowed and included as part of the monthly payment.

Thirdly, for those individuals and families that already own their homes RD offers a 504 Loan/Grant program to assist those individuals with the upkeep of their homes. This program is a 1 percent interest loan for the very-low income. They may qualify for up to \$20,000 at a term of 20 years. The repair program helps with roofs, foundations, heating & cooling, windows and other weatherization issues. This program is also used for handicapped accessibility issues such as ramps, widening doors, bathroom fixtures and much more. The grant program is for individuals of the age of 62 or older. This is a \$7500 lifetime grant and is forgivable after 3 years. The individual must not have the ability to repay a loan at 1 percent in order to qualify for a grant, and must meet the income and age requirement.

The Mexico Sub-area office services Audrain, Boone, Callaway and Howard counties in Missouri. For more information of any program offered through Rural Development you may call the Mexico office at 573-581-4177 ext. 4 or by emailing [www.rurdev.usda.gov/mo](http://www.rurdev.usda.gov/mo). or by visiting the office located at 4617 South Clark, Mexico, MO., 65265.

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

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