



NEWS RELEASE

United States Department of Agriculture • Rural Development
Federal Bldg. 200 North High Street, Columbus, OH 43215

Phone: (614) 255-2394 • Fax: (614) 255-2559 • TDD: (614) 255-2554 • Web: <http://www.rurdev.usda.gov/ohj>

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Contact: Michael Jones 614-255-2394
michael.jones@oh.usda.gov

Rural Development Helps 1,300 Families Buy Homes

COLUMBUS, OHIO, Feb. 1, 2007 — USDA Rural Development's Housing Program helped about 1300 Ohio families purchase homes in 2006. Through its Housing Program approximately \$120 million in financial assistance was provided to very-low, low and moderate income families to assist with home purchases across the state.

"Many people who want to buy a home have the income to afford the payments but have not been able to save for the down payment or closing costs," said Ohio Rural Development State Director Randall Hunt. "Rural Development's program helps applicants with minimal savings purchase a home. In many cases families can get into a home for less than \$500."

Rural Development offers two home ownership programs; Direct and Guarantee. Both programs offer 100 percent financing and don't require monthly mortgage insurance. The Direct program allows Rural Development to reduce the interest rate on the loan; this reduced rate lowers the homeowner's monthly payment. The Guarantee program is for applicants who have higher incomes and would not qualify for the Direct program's reduced payment. Under these programs, potential home owners can purchase a home with no down payment.

"There are many home loan programs being offered today that have low initial rates but increase over time," said Hunt. "These increasing rates often result in homeowners experiencing difficulty making their payments. Our goal is not just to get families into homes of their own, but to also keep their payments affordable."

As a venture capital entity, USDA Rural Development provides equity and technical assistance to finance and foster growth in homeownership, business development, and critical community and technology infrastructure. In fiscal Year 2006, Rural Development provided more than \$228 million in assistance to Ohio's economy.

For additional information, visit our web site at www.rurdev.usda.gov or contact the agency at (614) 255-2400.

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