



United States Department of Agriculture
Rural Development
Texas State Office

USDA Rural Development Texas AN No. 585 (3550)

TO: All Offices
USDA Rural Development, Texas

SEP 3 2004

FROM: Bryan Daniel
State Director 
USDA Rural Development, Temple

SUBJECT: Fiscal Year 2005 Direct Single Family Housing Area Loan Limits

PURPOSE/INTENDED OUTCOME: The purpose of this Administrative Notice (AN) is to establish maximum loan limits, authorized under the Section 502 direct loan program and to provide guidance for USDA Rural Development employees in the processing of direct Single Family Housing (SFH) applications.

COMPARISONS WITH PREVIOUS ANs: This AN replaces Texas AN number 579 which expires September 30, 2004.

IMPLEMENTATION RESPONSIBILITIES: USDA Rural Development Texas elected to keep the Fiscal Year (FY) 2004 limits for FY 2005 since the FY 2004 limits still accurately reflect market conditions in Texas. USDA Rural Development employees will review and process direct Single Family Housing applications in the manner described below when determining maximum loan limitations.

The definition of "Market Value", as stated in HB-1-3550, paragraph 6.6:

"Market value is generally accepted to mean the price for property agreed upon between a willing and informed buyer and a willing and informed seller and/or contractor under usual and ordinary circumstances when the property is exposed for sale on the open market with reasonable time allowed to find a purchaser. This determination shall be made at the time the purchase agreement or construction package is submitted and is not dependent on the appraised value. The total amount of the Agency loan, loans from other sources, or the applicant's own funds, including but not limited to the value of the site, cannot exceed the applicable area loan limit."

EXPIRATION DATE:
September 30, 2005

FILING INSTRUCTIONS:
HB-1- 3550
Appendix 10

101 South Main • Suite 102 • Temple, TX 76501
Phone: (254) 742-9770 • Fax: (254) 742-9735 • TDD: (254) 742-9712 • Web: <http://www.rurdev.usda.gov>

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In addition, a modest dwelling must be one that is considered modest for the area, must not be designed for income producing purposes, and must not have an in-ground swimming pool.

Area loan limits are a maximum market value limit, not a goal for new Section 502 direct loans. For example, if the cost of a typical house in a particular county is \$85,000 then we should continue to finance houses in that price range, even though the area loan limit may be \$100,000.

The area loan limit is the maximum value of the property RHS will finance in a given locality. The Area Loan Limits for Texas are attached. These limits are effective October 1, 2004. Area loan limits data will be updated annually. **All USDA Rural Development offices are directed to begin collecting new comparable sales (of typical sites located in eligible areas) so they will be available when area loan limits are updated next year.**

The loan an applicant receives must not exceed the area loan limit unless the applicant chooses to finance the appraisal fee, tax service fee, or the initial contribution to fund the escrow account, in which case the loan can exceed the area loan limit by the cost of these items.

As stated in HB-1-3550 paragraph 6.6 B, the maximum loan limit for a particular loan will be reduced in the following situations:

- If the applicant owns the building site free and clear or if an existing non-Agency debt on the site will not be refinanced with Agency funds, the market value of the lot will be deducted from the area loan limit.
- If Agency funds will be used to refinance non-Agency debt on the building site, the equity (market value minus the debt owed against the site) will be deducted from the area loan limit.
- When the applicant is purchasing a site below the market value, the difference between the market value and the sales price will be deducted from the area loan limit.
- When an applicant is receiving a housing grant or other form of affordable housing assistance for eligible loan purposes other than closing costs, the amount of such grants and other affordable housing assistance will be deducted from the area loan limit.
- The maximum loan amount for self-help housing will be determined by adding the total of the market value of the lot (including reasonable and typical costs of site development), the cost of construction, and the value of sweat equity. The total of these factors cannot exceed the area loan limit for the area.

Please contact Leon Carey, Housing Programs, if you have any questions.

Attachment

FY 2005 TEXAS AREA LOAN LIMITS

FIPS Code	AREA #	OFFICE	County or Equivalent	ST	FY 2005 Area Limits
48023	1	Ab	Baylor	TX	\$98,400.00
48059	1	Ab	Callahan	TX	\$98,400.00
48081	1	Ab	Coke	TX	\$99,200.00
48151	1	Ab	Fisher	TX	\$103,400.00
48155	1	Ab	Foard	TX	\$96,600.00
48197	1	Ab	Hardeman	TX	\$96,300.00
48207	1	Ab	Haskell	TX	\$98,400.00
48235	1	Ab	Irion	TX	\$98,500.00
48253	1	Ab	Jones	TX	\$103,400.00
48263	1	Ab	Kent	TX	\$98,400.00
48275	1	Ab	Knox	TX	\$98,400.00
48335	1	Ab	Mitchell	TX	\$103,400.00
48353	1	Ab	Nolan	TX	\$103,400.00
48399	1	Ab	Runnels	TX	\$99,200.00
48415	1	Ab	Scurry	TX	\$103,400.00
48417	1	Ab	Shackelford	TX	\$96,600.00
48431	1	Ab	Sterling	TX	\$99,200.00
48433	1	Ab	Stonewall	TX	\$98,400.00
48441	1	Ab	Taylor	TX	\$103,400.00
48447	1	Ab	Throckmorton	TX	\$96,600.00
48451	1	Ab	Tom Green	TX	\$104,700.00
48487	1	Ab	Wilbarger	TX	\$106,600.00
48011	1	Am	Armstrong	TX	\$103,500.00
48045	1	Am	Briscoe	TX	\$95,400.00
48065	1	Am	Carson	TX	\$103,500.00
48069	1	Am	Castro	TX	\$98,500.00
48075	1	Am	Childress	TX	\$98,300.00
48087	1	Am	Collingsworth	TX	\$98,300.00
48111	1	Am	Dallam	TX	\$102,600.00
48117	1	Am	Deaf Smith	TX	\$98,500.00
48129	1	Am	Donley	TX	\$98,300.00
48179	1	Am	Gray	TX	\$98,300.00
48191	1	Am	Hall	TX	\$98,300.00
48195	1	Am	Hansford	TX	\$98,300.00
48205	1	Am	Hartley	TX	\$102,600.00
48211	1	Am	Hemphill	TX	\$98,300.00
48233	1	Am	Hutchinson	TX	\$98,300.00
48295	1	Am	Lipscomb	TX	\$98,300.00
48341	1	Am	Moore	TX	\$113,000.00
48357	1	Am	Ochiltree	TX	\$98,300.00
48359	1	Am	Oldham	TX	\$98,500.00
48369	1	Am	Parmer	TX	\$98,500.00
48375	1	Am	Potter	TX	\$113,000.00
48381	1	Am	Randall	TX	\$113,000.00
48393	1	Am	Roberts	TX	\$98,300.00
48421	1	Am	Sherman	TX	\$98,300.00
48437	1	Am	Swisher	TX	\$98,500.00
48483	1	Am	Wheeler	TX	\$98,300.00
48003	1	L	Andrews	TX	\$96,900.00
48017	1	L	Bailey	TX	\$96,900.00

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FIPS Code	AREA #	OFFICE	County or Equivalent	ST	FY 2005 Area Limits
48033	1	L	Borden	TX	\$96,900.00
48079	1	L	Cochran	TX	\$96,900.00
48101	1	L	Cottle	TX	\$94,600.00
48107	1	L	Crosby	TX	\$96,900.00
48115	1	L	Dawson	TX	\$96,900.00
48125	1	L	Dickens	TX	\$96,900.00
48153	1	L	Floyd	TX	\$96,300.00
48165	1	L	Gaines	TX	\$96,900.00
48169	1	L	Garza	TX	\$96,900.00
48189	1	L	Hale	TX	\$111,500.00
48219	1	L	Hockley	TX	\$106,500.00
48227	1	L	Howard	TX	\$103,600.00
48269	1	L	King	TX	\$96,900.00
48279	1	L	Lamb	TX	\$96,900.00
48303	1	L	Lubbock	TX	\$111,500.00
48305	1	L	Lynn	TX	\$96,900.00
48317	1	L	Martin	TX	\$96,900.00
48345	1	L	Motley	TX	\$94,600.00
48445	1	L	Terry	TX	\$105,300.00
48501	1	L	Yoakum	TX	\$96,900.00
48049	2	B	Brown	TX	\$105,700.00
48083	2	B	Coleman	TX	\$104,700.00
48093	2	B	Comanche	TX	\$105,700.00
48095	2	B	Concho	TX	\$99,200.00
48133	2	B	Eastland	TX	\$105,700.00
48193	2	B	Hamilton	TX	\$105,700.00
48307	2	B	McCulloch	TX	\$104,700.00
48333	2	B	Mills	TX	\$103,200.00
48411	2	B	San Saba	TX	\$104,700.00
48429	2	B	Stephens	TX	\$98,400.00
48019	2	F	Bandera	TX	\$113,400.00
48031	2	F	Blanco	TX	\$110,700.00
48171	2	F	Gillespie	TX	\$118,200.00
48259	2	F	Kendall	TX	\$122,200.00
48265	2	F	Kerr	TX	\$113,400.00
48267	2	F	Kimble	TX	\$104,700.00
48299	2	F	Llano	TX	\$110,700.00
48319	2	F	Mason	TX	\$104,700.00
48327	2	F	Menard	TX	\$99,800.00
48413	2	F	Schleicher	TX	\$99,800.00
48435	2	F	Sutton	TX	\$104,700.00
48027	2	G	Bell	TX	\$111,500.00
48053	2	G	Burnet	TX	\$117,500.00
48281	2	G	Lampasas	TX	\$110,400.00
48331	2	G	Milam	TX	\$105,500.00
48453	2	G	Travis	TX	\$121,500.00
48491	2	G	Williamson	TX	\$121,500.00
48213	3	C	Henderson	TX	\$110,200.00
48257	3	C	Kaufman	TX	\$119,900.00
48379	3	C	Rains	TX	\$110,200.00

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FIPS Code	AREA #	OFFICE	County or Equivalent	ST	FY 2005 Area Limits
48423	3	C	Smith	TX	\$108,900.00
48467	3	C	Van Zandt	TX	\$110,200.00
48499	3	C	Wood	TX	\$105,600.00
48009	3	D	Archer	TX	\$106,600.00
48077	3	D	Clay	TX	\$107,500.00
48097	3	D	Cooke	TX	\$107,500.00
48237	3	D	Jack	TX	\$107,500.00
48337	3	D	Montague	TX	\$107,500.00
48485	3	D	Wichita	TX	\$106,600.00
48497	3	D	Wise	TX	\$112,600.00
48503	3	D	Young	TX	\$104,000.00
48085	3	MC	Collin	TX	\$130,200.00
48113	3	MC	Dallas	TX	\$117,600.00
48121	3	MC	Denton	TX	\$130,200.00
48147	3	MC	Fannin	TX	\$110,600.00
48181	3	MC	Grayson	TX	\$123,300.00
48231	3	MC	Hunt	TX	\$115,000.00
48397	3	MC	Rockwall	TX	\$130,200.00
48073	4	H	Cherokee	TX	\$105,100.00
48183	4	H	Gregg	TX	\$105,600.00
48203	4	H	Harrison	TX	\$105,600.00
48315	4	H	Marion	TX	\$105,600.00
48365	4	H	Panola	TX	\$105,600.00
48401	4	H	Rusk	TX	\$105,600.00
48459	4	H	Upshur	TX	\$105,600.00
48005	4	L	Angelina	TX	\$105,700.00
48199	4	L	Hardin	TX	\$108,400.00
48241	4	L	Jasper	TX	\$105,700.00
48347	4	L	Nacogdoches	TX	\$108,700.00
48351	4	L	Newton	TX	\$102,600.00
48373	4	L	Polk	TX	\$105,700.00
48403	4	L	Sabine	TX	\$102,600.00
48405	4	L	San Augustine	TX	\$102,600.00
48419	4	L	Shelby	TX	\$102,600.00
48457	4	L	Tyler	TX	\$105,700.00
48037	4	MT	Bowie	TX	\$108,100.00
48063	4	MT	Camp	TX	\$106,100.00
48067	4	MT	Cass	TX	\$106,100.00
48119	4	MT	Delta	TX	\$103,700.00
48159	4	MT	Franklin	TX	\$103,700.00
48223	4	MT	Hopkins	TX	\$104,100.00
48277	4	MT	Lamar	TX	\$104,100.00
48343	4	MT	Morris	TX	\$106,100.00
48387	4	MT	Red River	TX	\$103,700.00
48449	4	MT	Titus	TX	\$106,100.00
48143	5	C	Erath	TX	\$107,500.00
48221	5	C	Hood	TX	\$114,600.00
48251	5	C	Johnson	TX	\$114,600.00
48363	5	C	Palo Pinto	TX	\$107,500.00
48367	5	C	Parker	TX	\$114,600.00

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FIPS Code	AREA #	OFFICE	County or Equivalent	ST	FY 2005 Area Limits
48425	5	C	Somervell	TX	\$107,500.00
48439	5	C	Tarrant	TX	\$114,600.00
48001	5	GR	Anderson	TX	\$104,400.00
48145	5	GR	Falls	TX	\$103,500.00
48161	5	GR	Freestone	TX	\$104,400.00
48293	5	GR	Limestone	TX	\$104,400.00
48349	5	GR	Navarro	TX	\$112,600.00
48035	5	H	Bosque	TX	\$107,400.00
48099	5	H	Coryell	TX	\$107,400.00
48139	5	H	Ellis	TX	\$114,600.00
48217	5	H	Hill	TX	\$107,400.00
48309	5	H	McLennan	TX	\$107,500.00
48039	6	A	Brazoria	TX	\$114,000.00
48071	6	A	Chambers	TX	\$110,600.00
48157	6	A	Fort Bend	TX	\$113,800.00
48167	6	A	Galveston	TX	\$110,600.00
48245	6	A	Jefferson	TX	\$117,300.00
48361	6	A	Orange	TX	\$108,400.00
48041	6	B	Brazos	TX	\$118,500.00
48051	6	B	Burleson	TX	\$113,800.00
48185	6	B	Grimes	TX	\$109,500.00
48395	6	B	Robertson	TX	\$105,500.00
48473	6	B	Waller	TX	\$115,500.00
48477	6	B	Washington	TX	\$117,500.00
48201	6	H	Harris	TX	\$110,600.00
48225	6	H	Houston	TX	\$105,700.00
48289	6	H	Leon	TX	\$101,300.00
48291	6	H	Liberty	TX	\$110,200.00
48313	6	H	Madison	TX	\$101,300.00
48339	6	H	Montgomery	TX	\$110,600.00
48407	6	H	San Jacinto	TX	\$108,800.00
48455	6	H	Trinity	TX	\$105,700.00
48471	6	H	Walker	TX	\$110,200.00
48015	7	B	Austin	TX	\$117,500.00
48021	7	B	Bastrop	TX	\$122,300.00
48089	7	B	Colorado	TX	\$115,900.00
48149	7	B	Fayette	TX	\$115,900.00
48287	7	B	Lee	TX	\$108,300.00
48057	7	E	Calhoun	TX	\$113,300.00
48123	7	E	DeWitt	TX	\$103,900.00
48239	7	E	Jackson	TX	\$102,500.00
48285	7	E	Lavaca	TX	\$107,300.00
48321	7	E	Matagorda	TX	\$116,500.00
48469	7	E	Victoria	TX	\$107,300.00
48481	7	E	Wharton	TX	\$116,500.00
48013	7	S	Atascosa	TX	\$117,000.00
48029	7	S	Bexar	TX	\$123,500.00
48055	7	S	Caldwell	TX	\$124,400.00
48091	7	S	Comal	TX	\$123,500.00
48177	7	S	Gonzales	TX	\$123,500.00

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FIPS Code	AREA #	OFFICE	County or Equivalent	ST	FY 2005 Area Limits
48187	7	S	Guadalupe	TX	\$124,400.00
48209	7	S	Hays	TX	\$124,400.00
48255	7	S	Karnes	TX	\$109,200.00
48493	7	S	Wilson	TX	\$123,500.00
48007	8	A	Aransas	TX	\$100,700.00
48025	8	A	Bee	TX	\$100,700.00
48131	8	A	Duval	TX	\$100,700.00
48175	8	A	Goliad	TX	\$107,300.00
48249	8	A	Jim Wells	TX	\$100,700.00
48273	8	A	Kleberg	TX	\$100,700.00
48297	8	A	Live Oak	TX	\$100,700.00
48311	8	A	McMullen	TX	\$94,800.00
48355	8	A	Nueces	TX	\$100,700.00
48391	8	A	Refugio	TX	\$94,400.00
48409	8	A	San Patricio	TX	\$100,700.00
48047	8	H	Brooks	TX	\$102,400.00
48163	8	H	Frio	TX	\$102,600.00
48247	8	H	Jim Hogg	TX	\$102,400.00
48283	8	H	La Salle	TX	\$102,600.00
48479	8	H	Webb	TX	\$97,300.00
48127	8	U	Dimmit	TX	\$105,800.00
48137	8	U	Edwards	TX	\$104,900.00
48271	8	U	Kinney	TX	\$104,900.00
48323	8	U	Maverick	TX	\$109,500.00
48325	8	U	Medina	TX	\$108,900.00
48385	8	U	Real	TX	\$104,900.00
48463	8	U	Uvalde	TX	\$106,700.00
48465	8	U	Val Verde	TX	\$109,500.00
48507	8	U	Zavala	TX	\$105,800.00
48215	9	E	Hidalgo	TX	\$97,300.00
48427	9	R	Starr	TX	\$97,300.00
48505	9	R	Zapata	TX	\$97,300.00
48061	9	S	Cameron	TX	\$97,300.00
48261	9	S	Kenedy	TX	\$100,700.00
48489	9	S	Willacy	TX	\$97,300.00
48109	10	E	Culberson	TX	\$96,500.00
48141	10	E	El Paso	TX	\$113,000.00
48229	10	E	Hudspeth	TX	\$96,500.00
48043	10	FT	Brewster	TX	\$105,700.00
48103	10	FT	Crane	TX	\$98,500.00
48105	10	FT	Crockett	TX	\$105,600.00
48135	10	FT	Ector	TX	\$110,200.00
48173	10	FT	Glasscock	TX	\$98,500.00
48243	10	FT	Jeff Davis	TX	\$105,700.00
48301	10	FT	Loving	TX	\$98,500.00
48329	10	FT	Midland	TX	\$110,200.00
48371	10	FT	Pecos	TX	\$98,500.00
48377	10	FT	Presidio	TX	\$105,700.00
48383	10	FT	Reagan	TX	\$98,500.00
48389	10	FT	Reeves	TX	\$98,500.00

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48443	10	FT	Terrell	TX	\$98,500.00
48461	10	FT	Upton	TX	\$98,500.00
48475	10	FT	Ward	TX	\$98,500.00
48495	10	FT	Winkler	TX	\$98,500.00
			STATE AVERAGE		\$105,742.13