



When Jesse and Janie Bell Owens needed a new roof and repairs to their home; when Chris Ferguson was tired of paying rent and wanted a place that he could call his own; and when Timothy and Michelle Ward longed for a safe place to raise their son, in a neighborhood that they knew and loved; they all happened upon USDA Rural Development (RD), a Federal agency that could help make their dreams come true.

RD housing programs do more than just provide housing. They improve pride and economic development in rural communities. The families or individuals eligible for RD housing assistance are divided into three income categories: very low, low and moderate, relative to the median income of their rural area.

Jessie and Janie Bell Owens have a lovely house in Buchanan County, Virginia. One can see that they take great pride in their home and understand their concerns when they started to have problems with their roof. "I don't know what we would have done without help from Rural Development", says Janie Owens. With the Section 504 Home Repair Loan Program, borrowers are able to get help in the form of a 1% interest loan for repairs to improve or modernize a home, make it safer or more sanitary or remove health and safety hazards. Typical repairs include, but are not limited to, roofing, heating systems, well water systems, septic systems, insulation, windows, siding, and accessibility issues for household member with disabilities. For homeowners over the age of 62 that are unable to repay a loan, USDA RD offers a grant program that is available to remove health and safety hazards or remodel homes to make them

accessible to household members with disabilities. The lifetime grant assistance to any applicant may not exceed a cumulative total of \$7,500.00.

RD also offers loans to purchase homes. A resident of Tazewell County, Chris Ferguson excels at managing his financial responsibilities. When Chris decided that he was ready for home ownership, he knew exactly what he could afford to spend for a monthly mortgage payment. The RD Direct 502 Home Loan program offered Chris the opportunity to own a home without exceeding the monthly expense that he was accustomed to paying for rent; and the loans do not require a lot of money upfront. There is no required down payment for a USDA direct housing loan, and in many cases, closing costs can be included in the amount of the loan. RD is the only lender that offers payment assistance to borrowers which can reduce monthly mortgage payments. Payments are based on income. You can contact the local RD office to see if your income would qualify.

For individuals and families that exceed the low income limits, RD has a Guaranteed Loan Program for moderate income borrowers. Timothy and Michelle Ward, of Tazewell County, dreamt of a home in a nice neighborhood. The RD Guaranteed Loan Program was just what they needed. They really liked the “full home inspection” to ensure that they were purchasing a structurally sound and safe home. Loans can be made for 102% of the appraised value of the home so that no down payment is needed. Also in many cases, closing costs can be worked into the loan. These are loans made by other lenders, such as banks or credit unions, and are guaranteed by RD. This allows other lenders to make loans to people they would not otherwise be able to serve. Your local RD office can give you more details and a list of lenders that partner with RD.

Since 1950, RD housing programs have helped more than 2 million families buy, build or repair their own homes through several direct loan, grant and guaranteed loan programs. In the past year alone, RD homeownership programs helped more than 60,000 families nationwide buy or repair their homes.

If you or someone you know could benefit from any of the RD housing programs please contact your local office at (276) 889-4650 ext. 102 or 120. The Lebanon local office services the counties of Buchanan, Dickenson, Russell and Tazewell counties.