Mutual Self-Help Housing Program

Many rural families have achieved the American dream of homeownership through USDA's Mutual Self-Help Housing Program.

Self-Help works in combination with non-profit organizations and the direct single family lending program, although other home financing sources can be used. The non-profits help families become successful homeowners by providing technical assistance as families construct their homes. This includes homeownership education, loan packaging, and construction supervision.

Your USDA Rural Development local office can tell you if a Self-Help Housing effort is operating in the area in which you wish to live.

HOW DO I KNOW IF I AM ELIGIBLE FOR RURAL DEVELOPMENT'S PROGRAMS?

- Have an adequate and dependable income that does not exceed the county limits.
- Be a U.S. citizen or be legally admitted to the United States for permanent residence.
- Demonstrate adequate repayment ability.
- Have a good credit history that indicates a willingness to meet obligations when they become due.
- Contact your local office for more information.

A Message From Our State Director

For many reasons, achieving the dream of homeownership can be difficult in rural areas. Securing affordable financing is vital to meet the needs of Wisconsin's rural citizens looking to build a home or to repair an existing dwelling. All of our employees at Rural Development are committed to helping families across rural Wisconsin to achieve the dream of homeownership.

Through the Rural Housing Service (RHS), a broad range of programs are available to accommodate your situation with the ultimate goal of providing affordable housing opportunities. Whether it's a loan to buy a new home or a loan or a grant to repair your existing home, Rural Development is here to help you with homeownership and a better quality of life.

Interested home buyers or homeowners should call or visit their local USDA Rural Development field office for information about these programs.

We look forward to offering you the opportunity and assistance you need to own the home of your dreams ~ affordably.

Frank Frassetto,
State Director, WI

For free consultation and prequalification contact your local office at:

Or visit us at
www.rurdev.usda.gov
Toll Free: 1 – 866-474-3600

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation or marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternate means for communication of program information (Braille, large print, audio tape, etc.) should contact USDA's TARGET CENTER at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination write: USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington DC 20250-9410 or call (202)720-5964 (voice and TDD).
USDA is an equal opportunity provider and employer.

EQUAL HOUSING OPPORTUNITY

USDA RURAL DEVELOPMENT
Rural Housing Service

SINGLE FAMILY HOUSING PROGRAMS

A Place to Live

Owning your own home is a part of the American dream, but in rural areas, financing a home can be difficult. Jobs often pay less than in more populated areas, making it harder to obtain credit. Also, rural lenders generally require a large down payment, and often, interest rates and construction costs are higher than in urban areas.

However, if you want to own a home in a rural area* , the U.S. Department of Agriculture (USDA) Rural Development may be able to help.

USDA has been helping rural Americans become homeowners since 1949. It has invested well over $54 billion in helping people purchase or build their own homes.

* *Rural areas consist of communities that have 20,000 and under in population and are not a part of an urban area.*

Guaranteed Rural Housing

The Guaranteed Rural Housing Program agrees to guarantee a loan so the lending institutions can help buyers while incurring less risk.

Program Highlights

- Moderate Income limits apply.
- No Down Payment Required.
- No Prepayment Penalties.
- No Private Mortgage Insurance required.
- A one-time guarantee fee is paid at closing. In some cases, this fee, closing costs and repairs may be included in the loan.
- Mortgages are 30 years with an affordable fixed interest rate agreed upon by yourself and the lender.
- No maximum loan amount. Loan amount may be made up to the property's appraised value.
- No limits on cash contributions.
- Can purchase an existing home or build a new home.
- Home must be occupied as your permanent residence.
- Over 150 Agency Approved Lenders in Wisconsin.

502 Direct Loan Program

The Direct Homeownership Loan Program allows individuals or families, who are unable to obtain a homeownership loan from conventional sources, to receive a loan directly from Rural Development .

Program Highlights

- Low Income limits apply.
- No Down Payment Required, unless family assets exceed specified amount.
- No Prepayment Penalties.
- No monthly Private Mortgage Insurance required.
- Mortgages are 33 - 38 years at a fixed interest rate and payments are based on income level.
- Loan amount may be made up to the property's appraised value. Appraised value can not exceed the county maximum.
- Closing costs and repairs may be included in the loan.
- No limits on cash contributions.
- Can purchase an existing home or build a new home.
- Home must be occupied as your permanent residence.

504 Home Repair Loan and Grant Programs

Rural Development makes loans for repairs to improve or modernize a home, make it accessible, make it safer or more sanitary, or to remove health hazards.

Program Highlights

- Very Low income homeowners.

504 Loan

- No Down Payment Required.
- No Prepayment Penalties.
- Loans are up to 20 years and have a one percent interest rate. Maximum loan amount is $20,000.
- The value of your home must be less than the county loan limit.

504 Grant

- Must be at least 62 years of age and unable to repay a loan.
- Only used to remove health and safety concerns.
- Homeowners who receive a grant or combination grant and loan must agree not to sell or transfer the house on which the grant funds were used for up to three years.
- Lifetime grant maximum is $7,500.
- The value of your home must be less than the county loan limit.