



# Your Partner in Buying a Home

## USDA Rural Development

# Your Partner with home repairs

## Rural Housing Provides

**New counter tops**



**Roof repairs**



**New windows**



**Siding**



**Home Rehabilitation**

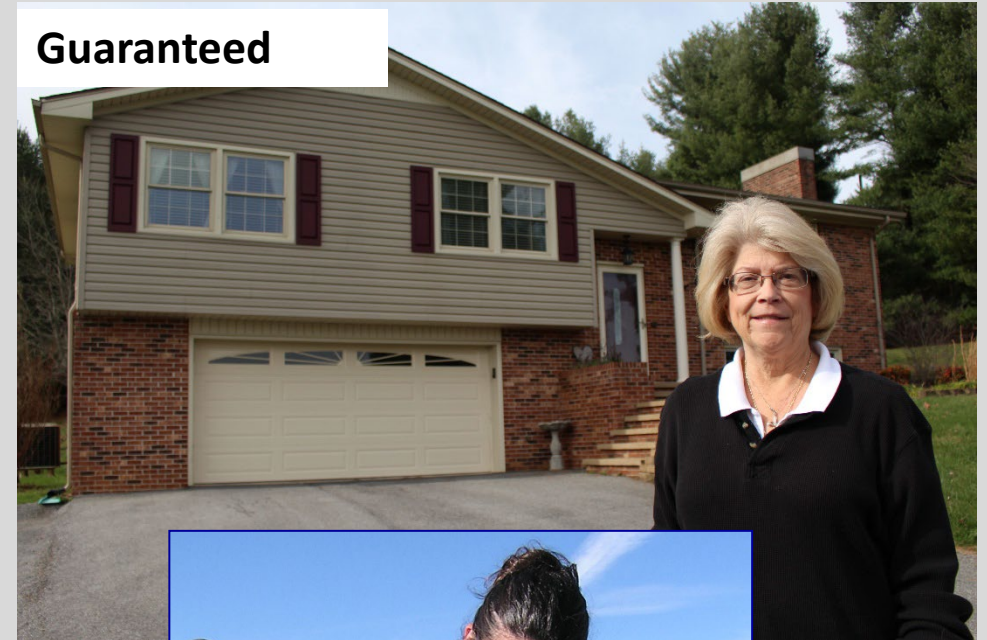


# Your Partner in Buying or Building a home

## Rural Housing Provides



**Direct**



**Guaranteed**



**Self-Help**

# Connecting Clients to Services – Key Partners



# Direct Home Loans



# SELLING MORE RURAL DEVELOPMENT FINANCED HOMES

## Purpose

- To help low-income/ Very Low Income individuals or households purchase, repair or build homes in rural areas
- Loan funds come directly from Rural Development to buy, build and repair homes
- We can finance existing homes, modular homes, stick-built new construction, or new manufactured homes, plus existing under our pilot

## Terms

- 30 years for new manufactured homes
- 33 years for all other types of housing

(Up to 38 years if less than 60% of the adjusted median income)

## Credit Requirements

- Similar to conventional lenders
- Credit requires a detailed credit analysis
- Adverse credit requires an acceptable explanation
- No credit score / alternative credit verification



## Income

- Start with annual household income
  - Adjustments for children, day care expenses, elderly household, etc
- Adjusted income used to determine program eligibility & amount of payment assistance
- The applicant must have a history of receiving stable and dependable income

# Repayment Income

- Used to determine how much applicant qualifies for
- Only consider the income from the applicants who will sign the promissory note
- Very Low Income Applicants – 33% PITI and 41% TD Ratios
- Low Income Applicants – 33% PITI and 41% TD Ratios

# SELLING MORE RURAL DEVELOPMENT FINANCED HOMES

## Key Elements

- No down-payment is required
- Loan payments are subsidized and are based on income
- The effective interest rate can go as low as 1%
- Families must be without adequate housing

# SELLING MORE RURAL DEVELOPMENT FINANCED HOMES

## Rural Housing Programs Guaranteed Rural Housing Loan Program



## Rural Development Contacts

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United States  
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# Rural Development



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*USDA Rural Development is committed to the future of rural communities.*