



# USDA Rural Development Single Family Housing Programs



# Section 504 Repair Loans And Grants

# What does this program do?

Provides very-low-income homeowners loans to repair, improve or modernize their home

Provides grants to elderly very-low-income homeowners to remove health and safety hazards

# Who may apply?



- Be the homeowner and occupy the house
- Be unable to obtain affordable credit elsewhere
- Have a family income below 50 percent of the area median income
- For grants, be age 62 or older and unable to repay a repair loan
- Loans – creditworthy – streamlined credit with 620+ score, no significant delinquency
- Loans/grants - no delinquent Federal debt

# How much money can I get?

- Maximum loan is \$40,000.
- Maximum grant is \$10,000.
- Loans and grants can be combined for up to \$50,000 in assistance





# Loan Terms

- Loans can be repaid over 20 years.
- Loan interest rate is fixed at 1%.
- Full title service is required for loans of \$25,000 or more.
- Grants have a lifetime limit of \$10,000.
- Grants must be repaid if the property is sold in less than 3 years.
- If applicants can repay part, but not all the costs, applicants may be offered a loan and grant combination.

# How long does an application take?

Processing times vary depending on funding availability and program demand in the area in which an applicant is interested in applying and completeness of the application package.

Applications for this program are being accepted through your local RD office year-round.

## Hays Office

2715 Canterbury  
Hays KS 67601  
(785) 628-3081

## Iola Office

202 W Miller Rd  
Iola KS 66749  
(620) 365-2901

## Newton Office

1405 S Spencer Rd  
Newton KS 67114  
(316) 283-0370

## Topeka Office

1303 SW 1st American Pl  
Topeka KS 66604  
(785) 271-2700

Also accepting applications via fax at (877) 470-3801 or email at [KSDirect@ks.usda.gov](mailto:KSDirect@ks.usda.gov)

# Section 504 Application Packaging





# What is the Role of the Section 504 Packager?

- Market the 504 program
- Meet with potential applicants
  - Discuss program and eligibility requirements
  - Counseling for those who don't appear eligible
- Assist applicants to assemble and submit application and supporting documentation to RD for an eligibility determination to be made

## Section 504 Packaging Fees

<b>504 Packaging Type</b>	<b>Permissible Packaging Fee</b>	<b>Regulated by 7 CFR Part 3550</b>	<b>Eligible Loan and/or Grant Purpose?</b>
Public and private nonprofit organizations that are tax exempt under the Internal Revenue Code	Up to \$750	Yes 3550.102 (d)(5)	Yes

# How do we get started?

Contact one of our local RD offices:

Hays Office

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<https://www.rd.usda.gov/programs-services/services/direct-loan-application-packagers>



Mutual  
Self-Help  
Housing  
Technical  
Assistance  
Grants

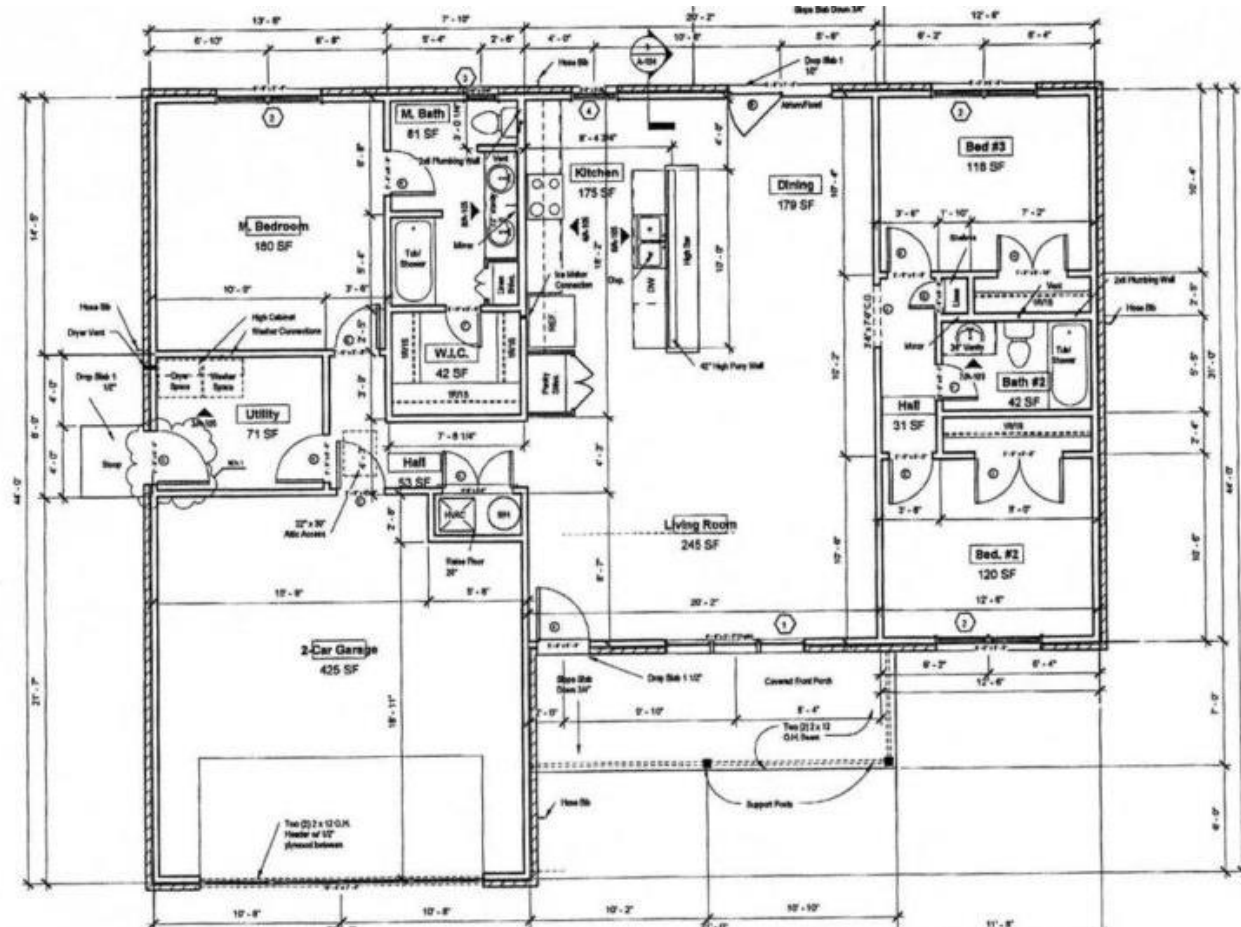
# What does this program do?

- Provides grants to qualified organizations to help them carry out local self-help housing construction projects.
- Grant recipients supervise groups of very-low- and low-income individuals and families as they construct their own homes in rural areas.
- The group members provide most of the construction labor on each other's homes, with technical assistance from the organization overseeing the project.

# Who may apply?

Eligible applicants include:

- Government non-profit organizations
- Federally-recognized Tribes
- Private non-profit organizations



# How may the funds be used?

- Give technical and supervisory assistance to participating families
- Help other organizations provide self-help technical and supervisory assistance
- Recruit families, help them complete loan applications and carry out other related activities that enable them to participate

# Funds MAY NOT be used to:

- Hire people to perform construction work for participants
- Buy real estate, building materials, or other property
- Pay debts, expenses, or costs for the participants.
- Pay for employee training or other indirect costs. Contact your local office for details.







How do we get started?

Contact:

LIFT Community Action Agency Inc

209 N 4th, Hugo OK 74743

(580) 326-5165

[www.liftca.org](http://www.liftca.org)

# Housing Preservation Grants



# What does this program do?

Provides funds to qualified Organizations to repair or rehabilitate housing occupied by very-low and low-income families in eligible rural areas.

# Who may apply?



- Most state and local government entities
- Nonprofit organizations
- Federally-recognized Tribes
- Individuals apply through an organization that has received a Housing Preservation Grant, not directly to USDA Rural Development

# How may the funds be used?

- Organizations provide grants or low interest loans to repair or rehabilitate housing for very-low- and low-income families
- Rental and cooperative properties that house very-low and low-income tenants can also get help to repair or rehabilitate those units
- Eligible expenses

# Eligible expenses include:

- Repairing or replacing foundations, roofs, insulation, electrical wiring, heating systems, and water and waste disposal systems disposal systems
- Installing features to address mobility or other accessibility needs
- Labor and materials
- Eligible administrative expenses up to 20 percent of the award
- A complete list of eligible expenses can be found in the Code of Federal Regulations 1944.664 (available at this link: <https://go.usa.gov/xz6tM>)

# How do we get started?

Applications are accepted annually through a notice published in the Federal Register.

Application window updates also are available on the Rural Development Housing Preservation Grant program webpage at this link:

<https://go.usa.gov/xz6zh>





# Rural Housing Site Loans

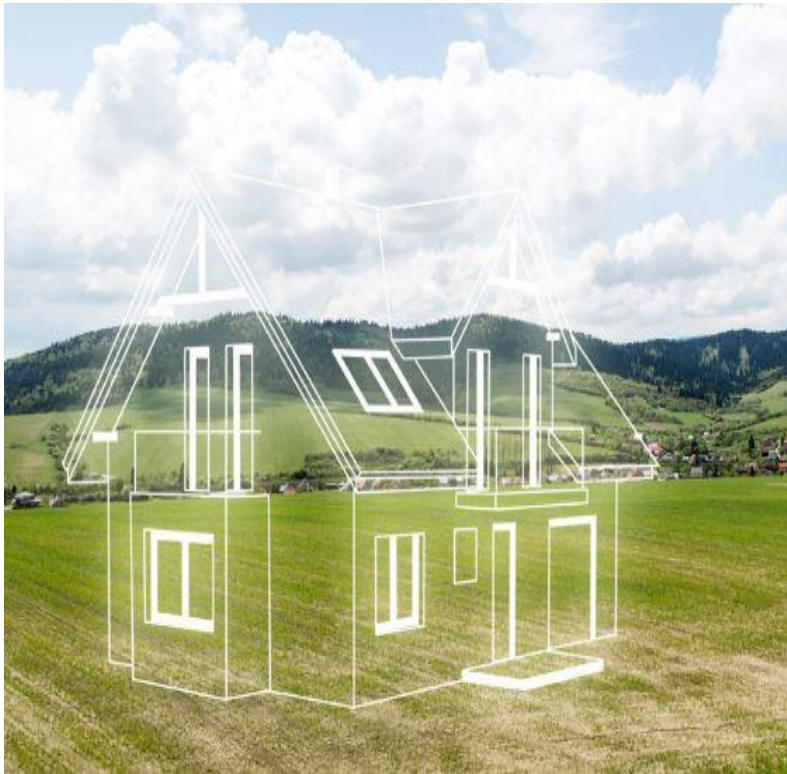


# What does this program do?

Rural Housing site loans provide two types of loans to purchase and develop housing sites:

- Section 523 loans are used to acquire and develop sites only for housing to be constructed using the Self-Help method. You can learn more about the USDA Rural Development Self- Help Housing Program at this link: <https://go.usa.gov/xzHV4>, and also in RD Instruction 1944-I, available at this link: <https://go.usa.gov/xzHVb> (PDF).
- Section 524 loans are made to acquire and develop sites for low- or moderate-income families, with no restriction as to the method of construction.

# Who may apply?



- Section 523 loans: Private or public nonprofit organizations that will provide sites solely for self-help housing
- Section 524 loans: Private or public nonprofit organizations. The building site can be sold to low- or moderate-income families
- Nonprofits that have the legal authority to operate a revolving loan fund
- Nonprofits that have the financial, technical, and managerial capacity to comply with relevant federal and state laws and regulations
- Federally-recognized Tribes (information is available at this link: <https://go.usa.gov/xzHPW>)

# How may the funds be used?

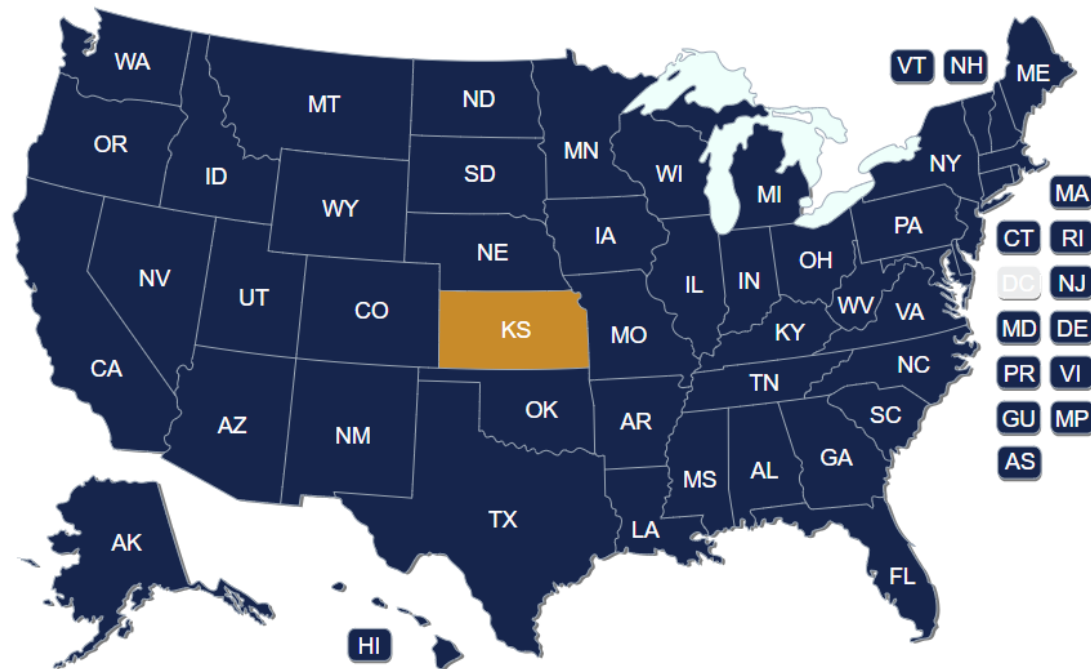
Site loans are made to provide financing for the purchase and development of housing sites for low- and moderate-income families.

## Loan Terms:

- 5-year loans
- Section 523 loans: 3 percent interest rate
- Section 524 loans: below market rate (established and published monthly); fixed at closing

# How do we get started?

<https://www.rd.usda.gov/programs-services/single-family-housing-programs/rural-housing-site-loans>



Applications are accepted  
year-round.

Apply through  
your local RD office.

To determine property and income eligibility visit our eligibility website:

<https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=sfpd>

## OUR CONTACT INFORMATION:

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