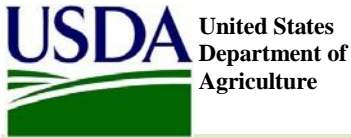


USDA RURAL DEVELOPMENT



SERVICE AREA:

**ALLEGANY,
CATTARAUGUS,
CHAUTAUQUA,
CHEMUNG, SCHUYLER &
STEUBEN**

Section 504 Grants:

- ◆ Must be 62 years of age or older at application
- ◆ **\$10,000 maximum lifetime grant assistance**
- ◆ Adjusted household income at or below 30% HUD median income level or lack adequate repayment ability for a loan
- ◆ Owner occupied property in eligible rural area

Section 504 Loans:

- ◆ Adjusted household income at or below 50% HUD median income level
- ◆ Fixed 1% interest rate
- ◆ 20 year term
- ◆ **Outstanding 504 loan balance not to exceed \$40,000**
- ◆ Owner occupied property in eligible rural area

Rural Development
415 W. Morris St.
Bath, NY 14810

Phone: 607-776-7398 Ext. 4

Fax: 855-889-1628

www.rd.usda.gov

SINGLE FAMILY HOUSING

SECTION 504 HOME REPAIR LOAN / GRANT PROGRAM

Program Objective:

Assist very low-income owner occupants of modest single family homes in rural areas repair their homes.

Grant Purposes:

Grant funds may be used *only* for repairs and improvements that will remove health and safety hazards or to make dwellings accessible for household members with disabilities.

Loan Purposes:

Loan funds may be used to remove health and safety hazards and make general repairs and improvements to properties, as long the dwelling remains modest for the area.

Terms & General Eligibility Requirements

504 Grant

- ◆ At least one applicant must be 62 years of age or older at the time of application.
- ◆ Adjusted household income at or below 30% of the HUD median income limit for the area can be considered for home repair assistance – up to \$10,000.
- ◆ Applicants with an adjusted household income between 30-50% of HUD median income limit will be evaluated for loan repayment ability – possible loan/grant combination.
- ◆ Applicant must have acceptable ownership (to include life estate) and occupy the property.
- ◆ The adjusted household income cannot exceed the very low income limit for area: <https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=sfpd>
- ◆ Lack asset resources to meet repair needs
- ◆ Grants must be repaid if the home is sold within three years.

504 Loan

- ◆ Fixed interest rate of 1% and term of 20 years.
- ◆ Applicant must demonstrate loan repayment ability – total debt ratios not to exceed 46% of qualifying repayment income.
- ◆ The adjusted household income may not exceed the very low income limit for area: <https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=sfpd>
- ◆ Lack asset resources to meet repair needs
- ◆ Acceptable credit history – reasonable ability and willingness to meet debt obligations.
- ◆ Loans of \$7,500 or more will be secured by a mortgage; < \$7,500 are note only.
- ◆ Applicant must own (to include life estate) and occupy the property.

Dwelling Requirements

- ◆ The property must be a single family dwelling located in an eligible rural area. <https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>
- ◆ The property must be considered modest, not contain an in-ground swimming pool and not have a value in excess of USDA single family housing limit for the area.
- ◆ Manufactured homes must be on a permanent foundation and applicant must own the land where it is placed.

