

## Section 504 Repair Program

For more information, contact the local office near you, or visit our website at:

<http://www.rurdev.usda.gov/wa>

USDA Rural Development provides financing to qualified very low income homeowners to repair or make improvements to their home. Examples of repair items which may be financed include:



- **Health and safety hazards** – such as electrical, sewage disposal, water, roof repair or replacement, structural repairs, disability accommodations, etc.
- **Home weatherization** such as insulation, window replacement, heating, etc.
- **Utility hookup, installation and/or assessment fees**
- **Repairs to a manufactured home**, provided that the applicant owns the land and the structure is on a permanent foundation (or will be placed on a permanent foundation with the repair funds)

Applicants must be the owner-occupant of a rural dwelling with a market value not to exceed the area loan limit and no more than 1800 square feet of above grade living area. Typically, an area is considered rural if the population is 10,000 or less. The following website can be used to determine if the property is eligible: <http://eligibility.sc.egov.usda.gov/eligibility/>.

In order to qualify for the 1% interest rate loan program, applicants must meet minimum eligibility requirements which include, but are not limited to:

- **Adjusted household income** which is at or below 50% of median income (see chart on page 2). Adjusted income is calculated by subtracting eligible deductions from the gross income of all adult household members.
- **A reasonable credit history.** Typically, a credit score of 640 or above indicates satisfactory credit. However, applicants with lower scores, or who have had credit difficulties, may be eligible under certain circumstances.
- **A stable source of income**, which provides adequate ability to repay the loan.
- **Be a U.S. Citizen or legally admitted U.S. resident** who is 18 years of age or older and is able to enter into a binding contract.

### Sample Adjusted Income Calculation for a Family of 4 with 2 children:

Gross Annual Income:	\$35,000
Minus	
\$480 deduction per child:	\$ 960
Minus	
\$400 per month daycare:	\$ 4,800
Adjusted Income	\$29,240

### All applications are reviewed for loan eligibility first.

Applicants age 62 or older, MAY be considered for partial grant funding if the applicant cannot repay any portion of the loan request necessary to remove all health and safety issues.

**For a FREE Pre-Qualification  
please contact one of our offices today!**