



USDA: RURAL DEVELOPMENT

504 HOME REPAIR LOAN / GRANT PROGRAM

SERVICE AREA:

Broome
Cayuga
Cortland
Chenango
Onondaga
Tioga
Tompkins

Section 504 Grants:

- ◆ \$7,500 maximum lifetime grant assistance to any recipient.
- ◆ Must be 62 years of age or older at application.
 - ◆ Unable to show repayment ability for a 504 loan.
 - ◆ Owner occupied property in an eligible area.

Section 504 Loans:

- ◆ Fixed 1% interest rate
- ◆ Outstanding 504 loan balance not to exceed \$20,000
- ◆ Maximum 20 year term-determined by repayment ability
 - ◆ Owner occupied property in an eligible area.

Rural Development

1 North Main Street – 2nd Floor
Cortland, NY 13045

Phone: (607) 753 0851 x4

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www.rurdev.usda.gov/ny

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.
- ◆ Must be unable to repay a 504 Loan (amortized over the maximum number of years).
- ◆ Applicant must have acceptable ownership (to include life estate) and occupy the property.
- ◆ The adjusted household income may not exceed the limit for your area. See next page.
- ◆ Unable to obtain financial assistance at reasonable terms and conditions elsewhere and lack the personal resources to meet their needs.
- ◆ Grant Agreement requires recipient to reside in household for three years after approval or else grant funds must be repaid

504 Loan

- ◆ Applicant must have acceptable ownership (to include life estate) and occupy the property.
- ◆ Applicant must have repayment ability - determined by a household budget completed with a Rural Development representative.
- ◆ The adjusted household income may not exceed the limit for your area. See next page.
- ◆ Unable to obtain financial assistance at reasonable terms and conditions elsewhere and lack the personal resources to meet their needs.
- ◆ Must have an acceptable credit history.
- ◆ Outstanding 504 loans of \$7,500 or more will be secured by a mortgage.
- ◆ Fixed interest rate of 1%

Dwelling Requirements

- ◆ The property must be a single family dwelling located in an eligible rural area.
- ◆ The property must be considered modest and less than 2000 square feet
- ◆ Manufactured homes must be on a permanent foundation and you must own the land on which it is placed.
- ◆ No in-ground swimming pools.



Income Limits
as of June 15, 2016

County		1 person	2 people	3 people	4 people	5 people	6 people	7 people	8 people
Broome/ Tioga County	Very Low	22,900	26,150	29,400	32,650	35,300	37,900	40,500	43,100
Cayuga County	Very Low	22,350	26,650	30,000	33,300	36,000	38,650	41,300	44,000
Chenango County	Very Low	21,000	24,000	27,000	29,950	32,350	34,750	37,150	39,550
Cortland County	Very Low	21,800	24,900	28,000	31,100	33,600	36,100	38,600	41,100
Onondaga County	Very Low	24,250	27,700	31,150	34,600	37,400	40,150	42,950	45,700
Tompkins County	Very Low	27,600	31,550	35,550	39,400	42,600	45,750	48,900	52,050

Entire county is eligible



United States
Department of
Agriculture

USDA RURAL DEVELOPMENT

502 SINGLE FAMILY HOUSING LOAN PROGRAM

SERVICE AREA:
ONONDAGA, CAYUGA,
CORTLAND,
CHENANGO,
TOMPKINS, TIOGA &
BROOME

Section 502 Loans:

- ◆ 100% LTV Financing
- ◆ No down payment required
- ◆ Payment Assistance for qualifying households
- ◆ Standard repayment term: 33 years
- ◆ Household income not to exceed low income limit for the area
- ◆ Free Pre-Qualification Review
- ◆ Tax & Insurance Escrow
- ◆ Property must be located in an eligible area.
 - ◆ Can include eligible closing costs and repairs up to appraised value
 - ◆ No PMI or financing fees

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Cortland, NY 13045

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www.rd.usda.gov

Program Objective:

The Section 502 Direct Single Family Housing Loan Program assists low and very low income applicants obtain decent, safe and sanitary housing in eligible rural areas. Interest rates and terms for these loans are designed to make homeownership more affordable.. Qualifying households may receive Payment Assistance, which is an interest subsidy that reduces the monthly mortgage payment.

Loan Purposes:

Loans may be used to buy, build, rehabilitate or improve an eligible single family dwelling and improve related facilities for use by the borrower as their permanent residence.

Eligibility Requirements:

- ◆ Household income may not exceed the applicable low income limit for the area <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>
- ◆ Be unable to obtain a loan from other resources on reasonable rates and terms
- ◆ Meet citizenship or eligible non citizenship requirements
- ◆ Applicants must have stable and dependable income sufficient to meet repayment ratio requirements:
 - Principal, interest, taxes and insurance (PITI) - 29% (Very Low Households)
 - Principal, interest, taxes and insurance (PITI) - 33% (Low Households)
 - Total Debts to include PITI cannot exceed 41%
- ◆ Applicants must occupy the dwelling on a permanent basis.
- ◆ Must have a satisfactory credit history
- ◆ Currently do not own decent, safe and sanitary housing

Dwelling and Site Requirements:

- ◆ Dwelling must be a single family home and be located in a eligible rural area: <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>
- ◆ Structurally sound, functionally adequate and in good repair, or will be improved to meet USDA property standards
- ◆ Dwelling must be considered modest for the area and less than 2,000 sq/ft
- ◆ The property may not:
 - be designed for income producing purposes
 - have an in-ground swimming pool
 - have farm outbuildings
 - be large enough to subdivide into more than one site under existing local zoning ordinances
- ◆ Can finance the construction of new homes to include *new* manufactured homes through approved dealer-contractors. However, USDA cannot finance existing manufactured homes. Financing term of 30 years for manufactured homes.

www.rd.usda.gov



USDA is an equal opportunity provider and employer



Income Limits as of June 15, 2016

County		1 person	2 people	3 people	4 people	5 people	6 people	7 people	8 people
Broome/ Tioga County	Very Low	22,900	26,150	29,400	32,650	35,300	37,900	40,500	43,100
	Low	36,600	41,800	47,050	52,250	56,450	60,600	64,800	68,950
	Guaranteed	75,900	75,900	75,900	75,900	100,200	100,200	100,200	100,200
Cayuga County	Very Low	22,350	26,650	30,000	33,300	36,000	38,650	41,300	44,000
	Low	37,300	42,650	47,950	53,300	57,500	61,850	66,100	70,350
	Guaranteed	76,600	76,600	76,600	76,600	101,100	101,100	101,100	101,100
Chenango County	Very Low	21,000	24,000	27,000	29,950	32,350	34,750	37,150	39,550
	Low	33,550	38,300	43,100	47,900	51,750	55,550	59,400	63,250
	Guaranteed	75,900	75,900	75,900	75,900	100,200	100,200	100,200	100,200
Cortland County	Very Low	21,800	24,900	28,000	31,100	33,600	36,100	38,600	41,100
	Low	34,850	39,800	44,800	49,750	53,750	57,700	61,700	65,650
	Guaranteed	75,900	75,900	75,900	75,900	100,200	100,200	100,200	100,200
Onondaga County	Very Low	24,250	27,700	31,150	34,600	37,400	40,150	42,950	45,700
	Low	38,750	44,300	49,800	55,350	59,800	64,200	68,650	73,050
	Guaranteed	79,550	79,550	79,550	79,550	105,000	105,000	105,000	105,000
Tompkins County	Very Low	27,600	31,550	35,550	39,400	42,600	45,750	48,900	52,050
	Low	44,150	50,450	56,750	63,050	68,100	73,150	78,200	83,250
	Guaranteed	90,650	90,650	90,650	90,650	119,650	119,650	119,650	119,650



United States
Department of
Agriculture

USDA RURAL DEVELOPMENT

GUARANTEED RURAL HOUSING
LOAN PROGRAM

SERVICE AREA:

INSERT COUNTIES

SERVED:

- BROOME
- CAYUGA
- CHENANGO
- CORTLAND
- ONONDAGA
- TIOGA
- TOMPKINS

GRH Highlights:

- ◆ 100% Financing. No down payment required
- ◆ Eligible repairs and closing costs may be included in loan up to appraised value
- ◆ Financing beyond the appraised value to include the upfront 1.0% guarantee fee
- ◆ Maximum 6% seller concessions
- ◆ Repayment ratios: 29% and 41%
- ◆ 30 year, fixed rate
- ◆ Loans are underwritten by approved lenders
- ◆ Single close loan feature for new construction
- ◆ Annual fee 0.35%

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Cortland, NY

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Program Objective:

The Guaranteed Rural Housing loan program assists low and moderate income households to purchase a modest single family homes in a rural area. USDA provides a 90% loan note guarantee to approved lenders in order to reduce the risk of financing up to 100% of the appraised value to eligible rural homeowners.

Applicant Eligibility Requirements:

- ◆ Agree to occupy the dwelling as their primary residence
- ◆ Household income cannot exceed the income limits for the area—see below
- ◆ Applicants must have an acceptable credit history.
- ◆ Adequate and dependable income sufficient to meet debt obligations as determined by repayment ratios - 29% (PITI) and 41% (Total Debt)
- ◆ Applicant must be a U.S. citizen, US non-citizen national or Qualified alien.

Dwelling Requirements:

- ◆ Dwelling must be a single family home and be located in a eligible rural area. <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>
- ◆ Structurally sound, functionally adequate and in good repair, or will be improved to meet property standards
- ◆ Dwelling must meet current HUD Handbook 4000.1 standards
- ◆ Must not include land or buildings that will be used principally for income producing purposes
- ◆ Combination construction permanent loan can be offered by approved lenders with appropriate construction lending experience
- ◆ Repairs can be financed in the loan up to the appraised value

Income Limits and Household Size:

	1-4 persons	5-8 persons
Broome/Tioga County	\$75,900	\$100,200
Cayuga County	\$76,600	\$101,100
Chenango County	\$75,900	\$100,200
Cortland County	\$75,900	\$100,200
Onondaga County	\$79,550	\$105,000
Tompkins County	\$90,650	\$119,650



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