



United States Department of Agriculture  
Rural Development  
www.rurdev.usda.gov/pa



## HAVE YOU HEARD ABOUT OUR FUNDING FOR WATER OR SEWER LINE HOOKUPS

**LOANS AND GRANTS ARE AVAILABLE FOR VERY LOW INCOME HOMEOWNERS**

**FUNDS MAY ALSO BE USED FOR REPAIRS TO REMOVE OTHER HEALTH AND SAFETY HAZARDS IN YOUR HOME**

- ❖ **LOANS UP TO \$20,000 – 1% INTEREST RATE – 20 YEAR TERM**
- ❖ **GRANTS UP TO \$7,500 – AVAILABLE FOR HOMEOWNERS OVER 62 YEARS OF AGE**

The annual adjusted income for the household must not exceed the Very Low Income Limits listed below. **Income limits vary based on household size for York County.**

<u>COUNTY</u>	<u>1 PERSON</u>	<u>2 PERSON</u>	<u>3 PERSON</u>	<u>4 PERSON</u>	<u>5 PERSON</u>	<u>6 PERSON</u>	<u>7 PERSON</u>	<u>8 PERSON</u>
York	23500	26900	30250	33600	36300	39000	41650	44350

### HOW TO APPLY

**CONTACT PAM STURGEON OF USDA RURAL DEVELOPMENT AT (717) 218-3002, EXT 122 FOR ADDITIONAL INFORMATION AND APPLICATIONS!!!**

An application, budget, and release form must be completed and signed. At least two estimates for the work to be done must be submitted. For 504 Loans, a list of credit references must also be submitted.

Further information on all USDA’s programs is available at the following USDA Rural Development office serving your area. Information is also available on the USDA Rural Development website at:

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

“USDA is an equal opportunity provider, employer and lender”.  
To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W.  
Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD)

## HOME REPAIR LOANS AND GRANTS

The applicant must be able to show repayment ability for the loan requested. Maximum outstanding balance must not exceed \$20,000.

- **Loan Rates and Terms:**

- 1% interest rate
- Maximum term is 20 years, term determined based on ability to repay.
- Mortgages taken on loans in excess of \$7,500.

**504 Grant:** Available to very low-income homeowners 62 and older who are unable to repay a loan.

The applicant must be unable to repay a 504 loan financed over 20 years. A combination of loan and grant funds may be used. The maximum lifetime grant amount is \$7,500.

- **Grant Terms:**

- Grant Agreement signed at closing. The agreement states if the home repaired with grant funds is sold within three years of the grant approval, the full amount of the grant will be repaid.

### ELIGIBILITY

- Credit history must indicate a reasonable ability and willingness to meet financial obligations. There is no charge for a credit report.
- Liquid assets need to be considered and may affect amount for which applicant is eligible.
- Applicants must show a dependable source of income which is sufficient to repay the loan.
- The property must be owned and occupied by the applicant. Documentation of ownership must be provided.
- Applicants with an outstanding federal judgment will not be determined eligible for a loan or a grant. Credit history will not be reviewed in this case.
- The Applicant must be a U.S. citizen or permanent resident

### PROPERTY ELIGIBILITY

- All manufactured homes must be on or placed on a permanent foundation. Lot and home must be owned by applicant
- Must be modest in size and design.
- Cannot have an in-ground swimming pool.

### FEEES

- A \$325 appraisal fee, a \$110 tax service fee and Hazard Insurance are required for initial loans greater than \$15,000.
- Mortgage Recording fees and Title Insurance are required when the total debt to the Agency exceeds \$7,500.

### ESCROW OF TAXES & INSURANCE

If the applicant's total outstanding debt to the Agency is greater than \$15,000, an escrow account must be established. An escrow account already established with another lender is satisfactory.

### LOAN AND GRANT FUNDS RESTRICTIONS

- Cannot assist in new construction or pay for off-site improvements
- Cannot make repairs that will not result in correcting all major hazards.