



United States Department of Agriculture

News Release

AUSTIN, Minn. – USDA Rural Development has funding available for very low- and low-income individuals and families seeking to purchase or repair a home in a rural area.

“Our housing staff will work one-on-one to ensure quality customer service for all applicants”, said Acting State Director Mike Navin. “To help prepare would-be buyers for this exciting step, USDA requires applicants to take a homeownership education course that will inform them of the buying process and help safeguard their important investment.”

USDA’s Direct Home Loan Program offers financing to qualified very-low and low-income applicants that are unable to qualify for traditional financing. No down payment is required, and the interest rate could be as low as one percent with a subsidy. Applicants must meet income and credit guidelines and demonstrate repayment ability. The program is available in rural communities of 20,000 people or less.

Data shows that Rural Development’s home loan programs increase economic development and job creation in rural communities. For example, according to the National Association of Realtors, the sale of an existing median-priced home generates more than \$58,000 in economic activity. This includes direct real estate industry supports, home furnishings, appliances and landscaping and other economic activity.

The maximum loan amount for repair is \$20,000 at a one percent interest rate, repayable for up to 20 years. Grants of up to \$7,500 are available to homeowners 62 and older and must be used to remove health or safety hazards, such as fixing a leaking roof, installing indoor plumbing, radon mitigation, or replacing a furnace.

Contact a USDA Rural Development employee today in your area to see if you qualify.

For more information in the following counties: Blue Earth, Dakota, Dodge, Faribault, Fillmore, Freeborn, Goodhue, Houston, Le Sueur, Mower, Olmsted, Rice, Scott, Steele, Wabasha, Waseca, and Winona Counties; please contact USDA Rural Development at 1408 21st Ave NW Suite 3, Austin, MN 55912 or 507-437-8247 x 4. You can also visit USDA’s website at www.rd.usda.gov/mn.

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