

A rural homeowner whose house needs repairs may be eligible for a loan and/or grant from USDA Rural Development.

Home improvement loans can be made to people who may not need or cannot afford a new house, but need to make improvements on their present house to bring it up to minimum standards. USDA Rural Development also makes loans as well as grants to homeowners to remove health and safety hazards from their dwellings.

A homeowner may qualify for assistance if they meet very low income guidelines established for the county in which they live.

How Can Funds Be Used?

Repair loans and grants may be used to remove health and safety hazards by repairing roofs, providing a sanitary water and waste disposal system that meets local health department requirements, installing screens, windows or insulation, or taking other steps to make the home safe. They may also be used to repair or remodel dwellings to make them accessible and useable for household members with disabilities.

Home improvement loans may include similar purposes, but may go further by bringing the home up to minimum standards and making changes for the convenience of the residents, such as adding a room, remodeling the kitchen, or otherwise modernizing the house.

What are the Terms?

Very low-income families can receive up to \$20,000 in a loan, with repayment terms up to 20 years, depending on their available income to repay the loan. The interest rate is 1%.

Grants of up to \$7,500 (lifetime assistance) and loan/grant combinations are available to applicants who are 62 years old or older and show repayment ability.

Rural Development staff will help families determine the type of assistance that is best suited to their needs and their income.

Who Can Borrow?

If you own a home and live in an eligible rural area (generally towns with a population of 10,000 or less) you may qualify for a loan and/or grant if you cannot secure credit from commercial lenders. The homeowner must be 62 years or older to qualify for a grant or loan/grant combination. Some towns with populations between 10,000 and 20,000 may also qualify. Contact the local USDA Rural Development Office to see if assistance is available in your area (see back side of brochure for office locations).

Which Properties Qualify?

The applicant must own and occupy the property. The home must be considered modest for the area and cannot have an in-ground pool.

Loan and/or grant funds may be used to repair mobile or manufactured homes if the applicant owns and occupies the home prior to applying; the repairs are needed to remove health or safety hazards; and the home is on a permanent foundation; or will be put on a permanent foundation with the loan/grant funds.

What Security is Required?

A real estate mortgage is required for loans of more than \$7500. The agency does not require a first lien position, but the total of all debts secured by the property must not exceed the property's market value.

Homeowners who receive a grant or a combination loan/grant must repay the grant if the home is sold within three years.

What is considered a rural area?

Log onto the website for maps indicating eligible areas throughout Michigan:
<http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>

Income Limits

County	Family Size/Income Limits			
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
Washtenaw	28850	32950	37100	41200
Calhoun	20350	23250	26150	29100
Bay	19550	22300	25100	27900
Barry	21150	24150	27200	30200
Benzie	18300	20900	23550	26150
Branch	18350	20950	23600	26200
Berrien	19300	22050	24800	27550
Cass	19000	21700	24450	27150
Charlevoix	18850	21500	24200	26900
Delta	18400	21000	23650	26250
Emmet	20550	23500	26400	29350
Genesee	20250	23100	26000	28900
Grand Traverse	21850	24950	28100	31200
Hillsdale	18850	21500	24200	26900
Ionia	20550	23500	26400	29350
Isabella	19150	21900	24600	27350
Jackson	20900	23900	26850	29850
Leelanau	22300	25500	28650	31850
Lenawee	27300	31200	35100	39050
Livingston	31100	35500	39950	44400
Marquette	18750	21450	24100	26800
Midland	22600	25850	29050	32300
Otsego	18850	21550	24250	26950
Ottawa	24450	27900	31400	34900
Saginaw	19500	22300	25100	27900
St. Joseph	18900	21600	24300	27000
Shiawassee	20200	23100	25950	28850
Tuscola	19200	21900	24650	27400
Lapeer, Macomb	24450	27950	31450	34950
Oakland, Monroe				
St. Clair, Wayne				
Allegan, Kent	21700	24800	27900	31050
Muskegon				
Clinton, Eaton	22700	25950	29200	32450
Ingham				
Kalamazoo,	21200	24250	27250	30300
Van Buren				
All other	17900	20500	23050	25600

Counties
 (For family size income limits over a 4 person household contact the local office where your home is located)

How and where do you apply?

Rural Development has 5 Area and 4 Sub-Area Offices located throughout Michigan. Each office handles loan processing for several counties. Contact the office which serves the county where you plan to purchase your home.

Caro Area Office – (989) 673-7588, Ext. 6
1075 Cleaver Road, P.O. Box 291, Caro, MI 48723
(Bay, Gratiot, Huron, Lapeer, Saginaw, Sanilac, St. Clair, Tuscola counties)

West Branch Sub-Area Office–(989) 345-5470 Ext. 4
240 W. Wright Street, West Branch, MI 48661
(Arenac, Clare, Gladwin, Iosco, Isabella, Midland, Ogemaw, Roscommon counties)

Gladstone Area Office – (906) 428-1060, Ext. 6
2003 Minneapolis, P.O. Box 231, Gladstone, MI 49837

Sault Ste. Marie Sub-Area Office–(906)632-9611Ext. 4
2847 Ashmun, Sault Ste. Marie, MI 49783

(Alger, Baraga, Cheboygan, Chippewa, Delta, Dickinson, Emmet, Gogebic, Houghton, Iron, Keweenaw, Luce, Mackinaw, Marquette, Menominee, Ontonagon, Presque Isle, Schoolcraft counties)

Grand Rapids Area Office – (616) 942-4111, Ext. 6
3260 Eagle Park Dr, Ste 107, Grand Rapids, MI 49525
(Ionia, Kent, Mecosta, Montcalm, Muskegon, Oceana, Ottawa counties)

PawPaw Sub-Area Office – (269) 657-7055, Ext. 4
1035 E. Michigan Avenue, PawPaw, MI 49079
(Allegan, Barry, Berrien, Branch, Calhoun, Cass, Kalamazoo, Newaygo, Ottawa, St. Joseph, Van Buren counties)

Mason Area Office – (517) 676-1801, Ext. 6
525 N. Okemos Street, Suite B, Mason, MI 48854
(Eaton, Ingham, Hillsdale, Jackson, Lenawee, Monroe, Washtenaw, Wayne counties)

Flint Sub-Area Office – (810) 230-8766, Ext. 4
1525 North Elms Road, Flint, MI 48532
(Clinton, Genesee, Livingston, Macomb, Oakland, Shiawassee counties)

Traverse City Area Office – (231) 941-0951, Ext. 6
1501 Cass Street, Traverse City, MI 49684
(Alcona, Alpena, Antrim, Benzie, Charlevoix, Crawford, Grand Traverse, Kalkaska, Lake, Leelanau, Manistee, Mason, Missaukee, Montmorency, Osceola, Oscoda, Otsego and Wexford counties)

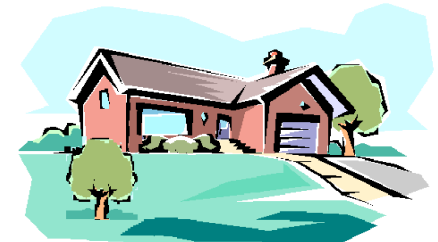
USDA, Rural Development is an Equal Opportunity Lender, Provider, and Employer. Complaints of discrimination should be sent to: USDA, Office of Civil Rights, 1400 Independence Avenue SW, Washington DC 20250-9410.

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UNITED STATES DEPARTMENT OF AGRICULTURE

HOME IMPROVEMENT AND REPAIR LOANS AND GRANTS SECTION 504



STATE ADMINISTRATIVE OFFICE

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Rural Development online: <http://www.rurdev.usda.gov/mi>