

USDA HAS TWO PROGRAMS FOR HOME BUYERS

USDA Rural Development helps rural residents purchase homes through its Single Family Housing Program.

1. We provide **direct loans** to help eligible applicants with very low- or low-income households purchase or build eligible modest single-family homes in eligible rural areas. Under this program, home buyers work directly with USDA Rural Development
2. We also provide **loan guarantees** for participating lenders so they can lend to more customers with low and moderate incomes. Both programs offer benefits for home buyers.

Rural Development's Guaranteed Loan Program:

If you earn a low or moderate income and hope to purchase a home in the next six months, we encourage you to consider working with an approved lender through our guaranteed loan program. If you are eligible, you may qualify for 100% financing (no money down). Approved lenders can answer your questions and assist you with the application process. This may significantly shorten your wait time versus working with USDA's loan staff directly.

How to apply:

1. First review the [Rural Development Single Family Housing Direct Loan income eligibility table](#) to learn the income limits in the county where you plan to buy or build a home. Your household income must be at or below the limit listed to qualify for the program.
 - The income eligibility table is at this link:
<https://www.rd.usda.gov/sites/default/files/RD-DirectLimitMap.pdf>
(Click on Maine on the map or scroll to page 142 for Maine listings.)
2. Learn more about the Section 502 Guaranteed Loan Program at this link:
<https://www.rd.usda.gov/programs-services/single-family-housing-guaranteed-loan-program>
3. Finally, reach out to an approved lender directly. Tell them you are interested in applying for a USDA Section 502 Guaranteed Loan. Find the list of approved lenders at this link: <https://www.rd.usda.gov/resources/lenders>

For more information:

Information about the programs and how to apply can be found at this link:

<https://www.rd.usda.gov/programs-services/single-family-housing-direct-home-loans>

Rural Development's Direct Loan Program:

If you earn a very low or low income and hope to buy a home in the next year, Rural Development's **Single Family Housing Direct Home Loans** may be an option for you. Through this program you may be eligible for 100% financing (no down payment) and a subsidy to help make the purchase more affordable.

Please be aware that there is a high demand for this program and limited funding. You will need to work with a Rural Development housing specialist to apply, and we currently have lengthy application processing wait times. Therefore, this program is best suited for flexible buyers who do not need to purchase a home quickly.

How to apply:

1. First review the [Rural Development Single Family Housing Direct Loan income eligibility table](#) to learn the income limits in the county where you plan to buy or build a home. Your household income must be at or below the limit listed to qualify for the program.
 - The income eligibility table is at this link:
<https://www.rd.usda.gov/sites/default/files/RD-DirectLimitMap.pdf> (Click on Maine on the map or scroll to page 142 for Maine listings.)
2. If your household income is at or below the limit, we recommend getting a copy of a credit report for each potential applicant. This will help you complete the application process. You can obtain a free credit report once a year from each of the 3 repositories (TransUnion, Experian & Equifax) using this link:
<https://www.annualcreditreport.com/index.action>
3. Next use our [Single Family Housing Direct Eligibility Assessment tool](#) to learn whether the Section 502 Direct Loan Program is a good fit for your needs.
 - Find the tool online at this link:
<http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=assessmentType>
4. If you learn you are eligible and wish to begin the process, email rd.me.sfh.applications@usda.gov to **request an application packet**. Once we receive your application, you will be placed on a waiting list to work with one of our housing specialists to complete the paperwork.

Please note that USDA Rural Development is experiencing record levels of interest in the program, which may result in extended application processing wait times.

Our team is working hard every day to help rural Maine residents afford decent, safe housing. We appreciate your patience during this period of high demand.