

USDA Rural Development and Habitat for Humanity Partner to Promote Homeownership for Northeast Iowa Family

by Cecilia Lynch

Chasity, the mother of two children in Independence, Iowa, knew her family needed a better place to live. She reached out to the U.S. Department of Agriculture (USDA) Rural Development (RD) to talk about a mortgage.

Iowa Heartland Habitat for Humanity owned an old house in town that needed re-habilitated. RD partnered with the non-profit organization to help Chasity become a homeowner. As the future home buyer, she was able to make design decisions—including paint colors—throughout the house before the project even began.

Together, Chasity and Habitat staff, contractors, and volunteers gutted ruined parts of the house. They had to get the house into a more habitable condition so that RD could make a loan on the property. The group installed new flooring while salvaging some wood floors as well, always seeking to preserve the original woodwork. They installed new drywall, appliances, and cupboards. Licensed contractors updated the plumbing and electrical systems.

Rebecca Tille, RD loan specialist, got to work on financing arrangements when the home improvements passed inspection. “I’ve seen firsthand the sense of peace and security that many people feel when they move into their own home,” she said. “I looked forward to helping Chasity achieve her dream for her family’s future.”

With down payment assistance from the city of Independence and a local credit union, Chasity secured a loan for \$150,000 from the RD Single Family Housing program.

Also known as the Section 502 Direct Loan Program, this program assists low-income applicants obtain decent, safe and sanitary housing in eligible rural areas by providing payment assistance to increase an applicant’s repayment ability. Applicants must demonstrate willingness and ability to repay the debt.

On June 11, 2024, Chasity closed on her home loan with RD at a local attorney’s office. Afterwards, Habitat for Humanity hosted an open house for her and the children. The dedication ceremony, prayers, gifts from the community, the passing of the keys all marked a new beginning for her. Staff, volunteers, and contractors that helped with the construction and repairs, along with RD Iowa housing team members, participated in the event and toured the newly beautiful home to congratulate Chasity and her family on this milestone.



Rural Development's Single Family Housing Direct Loan programs assist eligible applicants. For more information, see the [website](#).

Date of Obligation: 04/29/2024

Obligation Amount: \$150,000

Congressional District: IA-02