

504 Single Family Repair Loans and Grants

Purpose of the Program:

- To provide direct loan and/or grant funds to very-low income applicants who do not qualify for conventional bank financing, for the repair of their dwelling.

Eligibility Requirements:

- Must own the dwelling to be repaired, maintain a life estate or long-term leasehold.
- Must be a US Citizen or permanent resident.
- Must be able to personally occupy the dwelling.
- Must have adequate and dependable income to repay a loan.
- Must have a good credit history (for loan application).
- For a grant request; must show the inability to repay a loan.
- For Grants: applicant or co-applicant must be 62 or older and unable to afford a loan or portion thereof 1% interest for up to 20 Year terms (Grant and Loan Combinations may be considered.)
- Outside debt should be minimal.
- Must have total household income that does not exceed the Rural Development very-low income limits.
- Must lack personal resources (e.g., cash, securities, real estate other than home and home-site) that can be used to meet repair needs.

Eligible Loan and Grant Purposes:

- Grant funds may be used to pay costs of repairs or improvements which are identified health or safety hazards.
- Loan funds may also be used to remove health and safety hazards but are also available for modernization or home improvement.

Housing Requirements:

Homes must be brought into good repair with loan/grant funds.

Homes must be located in a rural area (see income limits worksheet enclosed for ineligible areas.)

Not all deficiencies need to be corrected to be eligible.

- Repairs to mobile homes can only be approved when:
The applicant owns the site or the mobile home is located in a mobile home park. The home is, or will be, placed on a permanent foundation.
Health and safety hazards are removed.

Properties must generally have access (either direct or via private right of way) to a town-owned or maintained road.

Loan Rates and Terms:

These loans are 1% fixed rate loans with 20 Year amortization.

Payments:

Monthly payments for a 20 Year term are \$4.60 Per Month for each \$1,000 borrowed.

EXAMPLES OF MONTHLY PAYMENTS:

<u>Amount Borrowed</u>	<u>Monthly Payment</u>
\$1,000	\$4.60 / month
\$5,000	\$23 / month
\$10,000	\$46 / month
\$15,000	\$69 / month
\$20,000	\$92 / month

Ineligible Loan Purposes:

- Cannot repair income-producing property.
- Cannot finance the purchase of a dwelling.
- Property cannot have an in-ground pool.
- Dwelling should not be in a flood hazard area.
- Cannot finance furniture or other personal property.

Maximum Loan and Grant Amounts:

- Maximum loan amount is \$20,000.
- Maximum combination loan and grant amounts are \$27,500.
- Loans cannot exceed appraised values of homes.
- Loans of \$7,500.00 and over are secured by a Promissory Note and a Real Estate Mortgage.
- Loans up to \$7,499.99 are secured by a Promissory Note only.
- Maximum lifetime grant amount is \$7,500.

Maximum Adjusted Income Limits:

On the following pages are Household Income Limits for New Hampshire and Vermont. If your current income exceeds these limits or your household size is larger than 8 people, ask Rural Development about adjustments to income: ex. dependent children, child care expenses, disabled, handicapped and elderly applicants or co-applicants.



Social Security Statements:

Social Security Statements are now available at www.socialsecurity.gov. The new online Statements provide eligible workers with access to a history of their Social Security earnings and projected benefits. You can get estimates for retirement, disability and survivors' benefits, so these statements can be an important financial planning tool.

At the Social Security website, you'll be asked to provide information about yourself that Matches Information already on file with Social Security. Experian, a major credit bureau, provides additional verification. After your identity has been verified, you can create a "My Social Security" Account with a user name and password for access to your online Statement.

These statements not only can help with financial planning, they also provide you with a Convenient way to check that your earnings are accurately posted to your Social Security Records. Social Security benefits are based on average earnings over your lifetime; if the earnings information is not accurate, you may not receive all the benefits to which you are entitled. Thus, viewing your statement gives you the opportunity to correct any errors that are on file.



DIRECT 504 REPAIR GRANTS AND LOANS
www.rd.usda.gov/nh ; www.rd.usda.gov/vt

INCOME LIMITS WORKSHEET TO FIGURE YOUR ADJUSTED FAMILY INCOME
NEW HAMPSHIRE

Applicant's gross income per year (Current gross weekly income x 52) include annual overtime

Co-applicant's gross income per year (Current gross weekly income x 52) include annual overtime

Other Applicant Household income (Annual Amounts) (i.e. Social Security, Pension Income, VA Benefits, Child Support, Annual Bonuses Etc.)

Other Household members: Include gross annual income from all sources

Subtract Child Care Expenses (Expenses for child care while at work)

Subtract \$480.00 for each child

Adjusted Household Income

If you are elderly or disabled ask the Rural Development staff for additional deductions to which you may be entitled.

All applicants must have Adjusted Household Income at or below the "very low" RD published income limits according to your household size as noted below. If your household exceeds the 8 person limit, please contact any Rural Development office to obtain the income threshold.

NEW HAMPSHIRE - MAXIMUM INCOME LIMITS (REVISED 05-4-2020)

COUNTY	1-4 PEOPLE	5-8 PEOPLE
Belknap, Carroll, Coos and Sullivan Counties	\$42,650	\$56,300
Cheshire County	\$43,250	\$57,100
Grafton County	\$46,300	\$61,150
Boston, Cambridge, Quincy Metro: includes Seabrook and South Hampton	\$63,950	\$84,450
Lawrence Metro: includes Atkinson, Chester, Danville, Fremont, Hampstead, Kingston, Newton, Plaistow, Raymond, Sandown and Windham	\$51,050	\$67,400
Manchester-Nashua Metro: includes Bedford, Weare and Goffstown (part)	\$47,050	\$62,150
Manchester-Metro (Hillsborough County) (part) includes: Antrim, Bennington, Deering, Francestown, Greenfield, Hancock, Hillsborough, Lyndeborough, New Boston, Peterborough, Sharon, Temple and Windsor.	\$44,300	\$58,500
Merrimack County	\$46,350	\$61,200
Nashua Metro includes: Amherst, Brookline, Greenville, Hollis, Hudson, Litchfield, Mason, Milford, Mont Vernon, New Ipswich, Pelham and Wilton.	\$55,500	\$73,300
Portsmouth, Rochester <u>includes</u> : Rockingham County: Brentwood, East Kingston, Epping, Exeter, Greenland, Hampton, Hampton Falls, Kensington, New Castle, Newfields, Newington, Newmarket, North Hampton, Rye and Stratham. <u>Strafford County</u> : Barrington, Durham, Farmington, Lee, Madbury, Middleton, Milton, New Durham, Rollinsford, Somersworth and Strafford.	\$50,850	\$67,150
Western Rockingham County Metro: includes Auburn, Candia, Deerfield, Northwood and Nottingham.	\$56,100	\$74,100

Loans cannot be made in Concord, Derry, Dover, Hudson, Keene, Londonderry, Manchester, Merrimack, Nashua, Portsmouth, Rochester, Salem and parts of Goffstown and Hooksett, due to Population Density.

USDA, is an equal opportunity provider, employer and lender.



DIRECT 504 REPAIR GRANTS AND LOANS

www.rd.usda.gov/nh; www.rd.usda.gov/vt

INCOME LIMITS WORKSHEET TO FIGURE YOUR ADJUSTED FAMILY INCOME VERMONT

Applicant's gross income per year (Current gross weekly income x 52) include annual overtime

Co-applicant's gross income per year (Current gross weekly income x 52) include annual overtime

Other Applicant Household income (Annual Amounts) (i.e. Social Security, Pension Income, VA Benefits, Child Support, Annual Bonuses etc.)

Other Household members: Include gross annual income from all sources

Subtract Child Care Expenses (Expenses for child care while at work)

Subtract \$480.00 for each child

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If you are elderly or disabled ask the Rural Development staff for additional deductions to which you may be entitled.

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VERMONT - MAXIMUM INCOME LIMITS (REVISED 05-4-2020)

COUNTY	1-4 PEOPLE	5-8 PEOPLE
Addison County	\$40,350	\$53,300
Chittenden, Franklin and Grand Isle Counties	\$45,900	\$60,600
Bennington County	\$37,300	\$49,250
Caledonia, Essex and Orleans Counties	\$37,300	\$49,250
Lamoille County	\$37,300	\$49,250
Orange County	\$37,300	\$49,250
Rutland County	\$37,300	\$49,250
Washington County	\$40,150	\$53,000
Windham County	\$37,300	\$49,250
Windsor County	\$39,650	\$52,350

Loans cannot be made in Burlington, South Burlington, Essex Junction and Winooski, and the Southeastern part of Colchester, due to Population Density.

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To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, 1400 Independence Ave., S. W., Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service). Persons with disabilities who require alternative means of communication should contact the USDA's TARGET Center at (202) 720-2600 or the USDA through the Federal Relay Services at (800) 877-8339.

CREDIT SCORE DISCLOSURE

In accordance with the Fair and Accurate Credit Transactions Act of 2003 (FACT Act) and in connection with your application for a Rural Development Single Family Housing (hereafter referred to as “the Agency”) home loan, the Agency, upon request, must disclose to you the score that a credit bureau distributes to users and will be used by the Agency in connection with your home loan as well as the key factors affecting your credit scores.

While the Agency does not consider credit scores in determining adverse credit decisions, we may use them to presume acceptable credit in lieu of other credit underwriting practices. Credit scores assist lenders in evaluating your credit history in a more expedient and objective manner. Your credit scores are found on your tri-merge credit report, a copy of which will be provided to you upon request. The range of possible scores is from 0 to 850. The Agency may also obtain and consider other credit scores in making its decision on your application.

In addition to the credit scores, your credit report lists the key factors related to why your scores were less than the maximum possible score. Please keep in mind that the factors are only indicators of why you received less than the maximum score possible. The listing of these factors does not by itself indicate that you would not be approved for the loan you have requested. Rural Development considers many factors in addition to your credit scores in making a decision on your application. If your application is not approved, you will receive a separate notice stating the specific reason(s) for that action which may or may not relate to your credit scores.

The Agency did not calculate your credit scores or develop the scoring models. If you have any questions about your credit scores or the information in the tri-merge credit report from which the scores were computed, you can contact the credit bureau at the address listed below.

**Equifax Mortgage Solutions
815 East Gate, Suite 102
Mount Laurel, NJ 08054
(800) 333-0037**

NOTICE TO HOME LOAN APPLICANT

Pursuant to FACT Act, Section 212.

In connection with your application for a home loan, Rural Development must disclose to you the score that a credit bureau distributed to the Agency and was used in connection with your home loan, as well as key factors affecting your tri-merge credit score.

The credit score is a computer-generated summary calculated at the time of the request and based on the information a credit bureau has on file. The scores are based on data about your credit history and payment patterns. Credit scores are important because they are used to assist the Agency in determining whether you will obtain a loan. Credit scores can change over time, depending on your conduct, how your credit history and payment patterns change, and how credit scoring technologies change.

Because the score is based on information in your tri-merge credit history, it is very important that you review the credit-related information to make sure it is accurate. Credit records may vary from one company to another.

If you have any questions, about your score or the credit information that is furnished to you, contact the credit bureau at the address and telephone number provided with this notice. The credit bureaus play no part in the decision to take any action on the loan application and are unable to provide you with specific reasons for the decision on the loan application.

If you have any questions concerning the terms of the loan, contact Rural Development.

THIS DISCLOSURE HAS BEEN PROVIDED TO THE APPLICANT(S) PURSUANT TO SECTION 212 OF THE FAIR AND ACCURATE CREDIT TRANSACTIONS ACT OF 2003. I UNDERSTAND THAT I MAY RECEIVE A COPY OF MY TRI-MERGE CREDIT REPORT BY MAKING A WRITTEN REQUEST TO THE RURAL DEVELOPMENT OFFICE HANDLING MY LOAN APPLICATION.
