

## **HOME REPAIR LOANS AND/OR GRANTS (504)VERY LOW INCOME thru USDA RURAL DEVELOPMENT**

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### **BOTH PROGRAMS**

- MUST BE VERY LOW INCOME AFTER ADJUSTMENTS (\$400 for elderly(62), \$480/ child) See guidelines below.
- Funds for repairs or improvements deemed necessary to make the home decent, safe and sanitary. Can also be utilized to remodel for physical disability needs or handicap accessibility (Sewer & Water hookups and assessments OK)
- Must be owner-occupant of property & Have legal capacity to incur debt
- Applicant must be unable to remove the health and safety hazards utilizing personal resources such as non-retirement assets in excess of \$7,500.00 (\$10,000 for elderly). Non-retirement assets include only assets that can be converted to cash within 90 days
- Home value cannot be above modest for Livingston County (\$226,100)
- All of Livingston County Eligible
- Manufactured homes must be on permanent foundations

### **504 LOANS**

1. Applicant must exhibit credit worthiness.
2. The terms of the loan is 1% with amortization up to 20 years. (\$4.65/ thousand of loan).
3. 504 Loans under \$7,500.00 require no mortgage or lien of any kind to be taken on the property. No credits report fee, no closing costs, and no appraisal fee.
4. Loans of \$7,500.00 or more do require a mortgage to be taken on the property and may have other costs involved. (Title Company costs) The maximum assistance \$20,000.00.

### **504 GRANTS**

1. **For grant assistance the applicant or co-applicant must be 62 years of age or older.**
2. Must lack repayment ability for 504 loan.
3. Lifetime assistance to any individual may not exceed a cumulative total of \$7,500.00.
4. Grant recipients are required to sign a grant agreement which requires that if the property is sold by the grantee, the heirs, or estate before the end of a three year period, the full amount of the grant will be repaid to the Government.