

USDA SECTION 502 SINGLE FAMILY HOUSING DIRECT LOANS

The Section 502 Direct Loan Program assists low- and very-low-income applicants obtain decent, safe and sanitary housing in eligible rural areas. Loan funds may be used to help low-income individuals or households purchase homes in rural areas. Funds can be used to build, repair, renovate or relocate a home, or to purchase and prepare sites, including providing water and sewage facilities.



Who should apply for this program?

A number of factors are considered when determining an applicant’s eligibility for Single Family Direct Home Loans. At a minimum, applicants interested in obtaining a direct loan must have an adjusted income that is at or below the applicable low-income limit for the area where they wish to buy a house and they must demonstrate a willingness and ability to repay debt.

As an Applicant, you must:

- Be without decent, safe and sanitary housing
- Be unable to obtain a loan from other resources on terms and conditions that can reasonably be expected to meet



- Agree to occupy the property as your primary residence
- Have the legal capacity to incur a loan obligation
- Meet citizenship or eligible noncitizen requirements
- Not be suspended or debarred from participation in federal

programs

Properties financed with direct loan funds must:

- Be 2,000 square feet or less
- Not have market value in excess of the applicable area loan limit
- Not be designed for income producing activities



Applicants must meet income eligibility for a direct loan for the county you plan to reside in. The loan limits for Highlands County are listed below.

----- ADJUSTED INCOME LIMITS -----		
SEBRING, FL MSA		
PROGRAM	1 - 4 PEOPLE	5 – 8 PEOPLE
VERY LOW INCOME	\$30,950	\$40,900
LOW INCOME	\$49,500	\$65,350

Contact FNPH at 863-385-2519 for additional information.