



United States  
Department of  
Agriculture

## USDA RURAL DEVELOPMENT

# 504 HOME REPAIR LOAN / GRANT PROGRAM

### Program Objective:

Assist very low-income owner occupants of modest single family homes in rural areas repair their homes.

### Grant Purposes:

Grant funds may be used *only* for repairs and improvements that will remove health and safety hazards or to make dwellings accessible for household members with disabilities.

### Loan Purposes:

Loan funds may be used to remove health and safety hazards and make general repairs and improvements to properties, as long as the dwelling remains modest for the area.

### Terms & General Eligibility Requirements

#### 504 Grant

- ◆ At least one applicant must be 62 years of age or older at the time of application.
- ◆ Adjusted household income at or below 30% of the HUD median income limit for the area can be considered for home repair assistance - up to \$10,000.
- ◆ Applicants with an Adjusted household income between 30-50% of HUD median income limit will be evaluated for loan repayment ability - possible loan/grant combination.
- ◆ Applicant must have acceptable ownership (to include life estate) and occupy the property.
- ◆ The adjusted household income cannot exceed the very low limit for the area.  
<https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=sfpd>
- ◆ Lack asset resources to meet repair needs.
- ◆ Grants must be repaid if the home is sold within three years.

#### 504 Loan

- ◆ Fixed interest rate of 1% and term of 20 years.
- ◆ Applicant must demonstrate loan repayment ability - total debt ratios not to exceed 46% of qualifying repayment income.
- ◆ The adjusted household income cannot exceed the very low limit for the area.  
<https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=sfpd>
- ◆ Unable to obtain financial assistance at reasonable terms and conditions elsewhere and lack the personal resources to meet their needs.
- ◆ Lack asset resources to meet repair needs.
- ◆ Acceptable credit history - reasonable ability and willingness to meet debt obligations.
- ◆ Loans of \$7,500 or more will be secured by a mortgage; < \$7,500 are note only.
- ◆ Applicant must own (to include life estate) and occupy the property.

#### Dwelling Requirements

- ◆ The property must be a single family dwelling located in an eligible rural area.  
<https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=sfpd>
- ◆ The property must be considered modest, not contain an in-ground swimming pool and not have a value in excess of the USDA single family housing limit for the area.
- ◆ Manufactured homes must be on a permanent foundation and applicant must own the land where it is placed.

#### SERVICE AREA:

GENESEE, ERIE,  
NIAGARA, ORLEANS,  
WYOMING COUNTIES

#### Section 504 Grants:

- ◆ Must be 62 years of age or older at application.
- ◆ \$10,000 maximum lifetime grant assistance.
- ◆ Adjusted household income at or below 30% HUD median income level or lack of adequate repayment ability for a loan.
- ◆ Owner occupied property in an eligible rural area.

#### Section 504 Loans:

- ◆ Adjusted household income at or below 50% HUD median income level.
- ◆ Fixed 1% interest rate.
  - ◆ 20 year term.
- ◆ Outstanding 504 loan balance not to exceed \$40,000.
- ◆ Owner occupied property in an eligible rural area.

#### Rural Development

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### 504 Loan/Grant Income Eligibility

An applicant’s adjusted annual income must be less than the income limit below:

	<b>1 person</b>	<b>2 person</b>	<b>3 person</b>	<b>4 person</b>	<b>5 person</b>
Genesee County	\$35,450	\$35,450	\$35,450	\$35,450	\$46,800
Erie County	\$38,450	\$38,450	\$38,450	\$38,450	\$50,800
Niagara County	\$38,450	\$38,450	\$38,450	\$38,450	\$50,800
Orleans County	\$37,850	\$37,850	\$37,850	\$37,850	\$50,000
Wyoming County	\$34,250	\$34,250	\$34,250	\$34,250	\$45,250

(Rev 07/23/19)

**Income limits are subject to change without notice.**

For information on determining the Adjusted Annual Income or for income limits for a larger household, please contact our office.

**Rural Development**

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If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (PDF), found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html), or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at [program.intake@usda.gov](mailto:program.intake@usda.gov).