

The U.S. Department of Agriculture (USDA) Rural Development has low-interest (1%) loans available to very low income rural homeowners that occupy a home in need of repair.

“Now is a good time for homeowners to evaluate the need for necessary repairs or replacement of items such as a furnace, roof, windows, siding, insulation and storm doors,” said David Willis, area specialist for USDA Rural Development.

“Electrical, plumbing, sanitary disposal systems, making a home accessible for disabled household members or modernization of a home may be also be eligible under the program,” he said.

Rural is defined as those communities with a population of 20,000 or less. Program eligibility is based on household income and the applicant’s credit history, repayment ability and inability to afford a conventional loan.

The USDA repair loan may be made up to \$20,000 at a 1% interest rate, with a repayment term of up to 20 years. Loans of less than \$7,500 may not require a mortgage against the property.

The low interest rate and extended terms of the loan makes repayment more affordable for households with limited income. For example, a \$10,000 loan at 1% interest for 20 years would have a monthly payment of \$46, compared to a conventional loan with an interest rate of 7% for 10 years, with a monthly payment of \$116.

For additional information or to obtain an application, contact Willis or Beth Fries at USDA Rural Development, (308) 534-2360 ext 4 or david.willis@ne.usda.gov or beth.fries@ne.usda.gov. Visit: www.rurdev.usda.gov/ne/.