



Single Family Housing Repair Loans & Grants

What does this program do?

Also known as the Section 504 Home Repair program, this provides loans to very-low-income homeowners to repair, improve, or modernize their homes or provides grants to elderly very-low-income homeowners to remove health and safety hazards.

Who may apply for this program?

To qualify, you must:

- Be the homeowner and occupy the house
- Be unable to obtain affordable credit elsewhere
- Have a [family income](#) below 50 percent of the area median income
- For grants, be age 62 or older and not be able to repay a repair loan

What is an eligible area?

Applicants may [check the address](#) of their home to determine eligibility online.

How may funds be used?

- Loans may be used to repair, improve, or modernize homes or to remove health and safety hazards.
- Grants must be used to remove health and safety hazards.

How much money can I get?

- Maximum loan is \$20,000.
- Maximum grant is \$7,500.
- Loans and grants can be combined for up to \$27,500 in assistance.

What are the terms of the loan or grant?

- Loans can be repaid over 20 years.
- Loan interest rate is fixed at 1%.

- Full title service is required for loans of \$7,500 or more.
- Grants have a lifetime limit of \$7,500.
- Grants must be repaid if the property is sold in less than 3 years.
- If applicants can repay part, but not all of the costs, applicants may be offered a loan and grant combination.

Is there a deadline to apply?

- Home loans are available year round as long as funding is available.
- Home loan applications are processed in the order they are received.

How long does an application take?

Approval times depend on funding availability in your area. Talk to a [USDA home loan specialist in your area](#) for help with the application.

Who can answer questions, and how do I get started?

Contact a [USDA home loan specialist in your area](#).

What governs this program?

- The Housing Act of 1949 as amended, [7 CFR Part 3550](#)
- [HB-1-3550](#) - Direct Single Family Housing Loans and Grants Field Office Handbook

Why does USDA Rural Development do this?

Helping people stay in their own home and keep it in good repair helps families and their communities. Homeownership helps families and individuals build savings over time. It strengthens communities and helps many kinds of businesses that support the local economy.

NOTE: Because citations and other information may be subject to change please always consult the program instructions listed in the section above titled "What Law Governs this Program?" You may also contact your [local office](#) for assistance.

You will find additional forms, resources, and program information at www.rd.usda.gov