



Rural Development
U.S. DEPARTMENT OF AGRICULTURE



USDA Rural Development

Disaster Resiliency and
Recovery Resources
A Guide for Rural Communities

Together, America Prospers



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Background

USDA Rural Development (RD) developed this guide as a resource for rural communities seeking disaster **resiliency and recovery** assistance.

USDA RD offers programs and servicing options that can help rural residents, businesses, and communities impacted by disaster, and support long-term planning and recovery efforts that build for the future.

According to the recent **National Climate Assessment (NCA)**, more frequent and extreme weather and climate-related events, as well as changes in average climate conditions, are expected to continue to damage infrastructure, ecosystems, and social systems that provide essential benefits to communities. Strategic emergency preparedness and response is critical to averting damage to the economy, environment, and human health.

The following sections provide an overview of available preparation assistance for rural communities.



Rural Development Disaster Resources

USDA RD has more than 40 loan, grant, and technical assistance programs available to help improve the economy and quality of life in rural America. Many of these programs can also help community efforts related to disaster preparedness, resiliency, and recovery. USDA RD partners with local leaders, developers, local, state, and Tribal governments, cooperatives, nonprofits, private organizations and a nationwide network of participating lenders to help build resiliency through planning and preparedness, and to help rural people and communities suffering the effects of disasters. USDA RD programs support a variety of needs including:

- Transitional Housing and Home Repair
- Infrastructure and Emergency Equipment Financing
- Essential Community Facilities
- Telehealth, Distance Learning and Rural Broadband Connectivity
- Rural Business Planning and Recovery

This resource matrix categorizes Rural Development programs by customer and assistance type.

Eligible Entities	Preparedness and Recovery through Community and Economic Development Planning and Housing	Preparedness and Recovery through Infrastructure and Equipment <i>Includes health care clinics, wastewater systems, medical transportation, shelters, food pantries, telemedicine screening, distance learning, broadband, solar panels</i>	Preparedness and Recovery through Industry and Entrepreneurship Support and Local Business Development <i>Includes career tech training modules, kitchen incubators, and farmers markets</i>	Preparedness and Recovery through Education and Training <i>Includes distance learning education, skills-based emergency training, mental health screenings, and remote medical appointments</i>
<p>Designed to assist for-profit rural businesses or individuals and entities. Examples include:</p> <p><i>Corporations, limited liability companies, sole proprietorships, electric cooperatives, and agricultural producers.</i></p>	<ul style="list-style-type: none"> • Farm Labor Housing Loans and Grants • Multifamily Housing Direct Loans and Multifamily Housing Loan Guarantees • Rural Economic Development Loan and Grant Program • Single Family Housing Direct Home Loans • Single Family Housing Repair Loans and Grants • Priority Housing for Displaced Individuals • Water and Environmental Programs Sustainable Management Tools 	<ul style="list-style-type: none"> • Business and Industry Loan Guarantees • Community Connect Grants • Distance Learning and Telemedicine Grants • Rural Broadband Access Loan and Loan Guarantee • Rural Economic Development Loan and Grant Program • Rural Energy for America Program Renewable Energy Systems • Single Family Housing Repair Loans and Grants • Telecommunications Infrastructure Loans and Guarantees 	<ul style="list-style-type: none"> • Business and Industry Loan Guarantees • Rural Business Investment Program • Rural Economic Development Loan and Grant Program • Value Added Producer Grants 	<ul style="list-style-type: none"> • Distance Learning and Telemedicine Grants
<p>Designed to assist public entities. Examples include:</p> <p><i>State or local governments, or federally-recognized Tribes or Tribal organizations.</i></p>	<ul style="list-style-type: none"> • Community Facilities Technical Assistance and Training Grant • Farm Labor Housing Loans and Grants • Housing Preservation Grants • Multifamily Housing Direct Loans and Multifamily Housing Loan Guarantees • Mutual Self-Help Housing Technical Assistance Grants • Rural Business Development Grants • Rural Community Development Initiative Grants • Rural Economic Development Loan and Grant Program • Rural Placemaking Innovation Challenge • Water and Environmental Programs SEARCH Grants 	<ul style="list-style-type: none"> • Emergency Community Water Assistance Grants • Business and Industry Loan Guarantees • Community Connect Grants • Community Facilities Direct Loans & Grants and Community Facilities Guaranteed Loan Program • Distance Learning and Telemedicine Grants • Emergency Community Water Assistance Grants • Rural Broadband Access Loan and Loan Guarantee • Rural Business Development Grants • Rural Decentralized Water Systems Grant Program • Telecommunications Infrastructure Loans and Guarantees • Water & Waste Disposal Loan & Grant Program • Water & Waste Disposal Predevelopment Planning Grants • Water & Waste Disposal Grants to Alleviate Health Risks on Tribal Lands and Colonias. 	<ul style="list-style-type: none"> • Business and Industry Loan Guarantees • Community Facilities Technical Assistance and Training Grant • Intermediary Relending Program • Rural Business Development Grants • Rural Community Development Initiative Grants • Rural Innovation Stronger Economy Grant (RISE) • Rural Microentrepreneur Assistance Program (RMAP) 	<ul style="list-style-type: none"> • Community Facilities Direct Loans & Grants and Community Facilities Guaranteed Loan Program • Community Facilities Technical Assistance and Training Grant • Distance Learning and Telemedicine Grants • Rural Business Development Grants • Water and Environmental Programs Solid Waste Management Grants • Rural Community Development Initiative Grants

Eligible Entities	Preparedness and Recovery through Community and Economic Development Planning and Housing	Preparedness and Recovery through Infrastructure and Equipment <i>Includes health care clinics, wastewater systems, medical transportation, shelters, food pantries, telemedicine screening, distance learning, broadband, solar panels</i>	Preparedness and Recovery through Industry and Entrepreneurship Support and Local Business Development <i>Includes career tech training modules, kitchen incubators, and farmers markets</i>	Preparedness and Recovery through Education and Training <i>Includes distance learning education, skills-based emergency training, mental health screenings, and remote medical appointments</i>
<p>Designed to assist nonprofit organizations and cooperatives, private, nonprofit schools, hospitals, libraries, and faith-based organizations, among others.</p>	<ul style="list-style-type: none"> • <u>Community Facilities Technical Assistance and Training Grant</u> • <u>Farm Labor Housing Loans and Grants</u> • <u>Intermediary Relending Program (IRP)</u> • <u>Rural Business Development Grants</u> • <u>Rural Community Development Initiative Grants</u> • <u>Rural Economic Development Loan and Grant Program</u> • <u>Rural Placemaking Innovation Challenge</u> • <u>Socially Disadvantaged Groups Grant</u> • <u>Transitional housing</u> • <u>Water and Environmental Programs Sustainable Management Tools</u> • <u>Water and Environmental Programs Technical Assistance and Training Grants</u> • <u>Water and Environmental Programs SEARCH Grants</u> • <u>Water and Environmental Programs Predevelopment Planning Grants</u> 	<ul style="list-style-type: none"> • <u>Business and Industry Loan Guarantees</u> • <u>Community Connect Grants</u> • <u>Community Facilities Direct Loans & Grants and Community Facilities Guaranteed Loan Program</u> • <u>Distance Learning and Telemedicine Grants</u> • <u>Housing Preservation Grants</u> • <u>Multifamily Housing Direct Loans and Multifamily Housing Loan Guarantees</u> • <u>Rural Broadband Access Loan and Loan Guarantee</u> • <u>Rural Business Development Grants</u> • <u>Telecommunications Infrastructure Loans and Guarantees</u> • <u>Water and Environmental Programs Water & Waste Disposal Loan & Grant Program</u> • <u>Water and Environmental Programs SEARCH Grants</u> • <u>Water and Environmental Programs Predevelopment Planning Grants</u> • <u>Emergency Community Water Assistance Grants</u> • <u>Rural Decentralized Water Systems Grant Program</u> 	<ul style="list-style-type: none"> • <u>Business and Industry Loan Guarantees</u> • <u>Community Facilities Technical Assistance and Training Grant</u> • <u>Intermediary Relending Program</u> • <u>Rural Business Development Grants</u> • <u>Rural Community Development Initiative Grants</u> • <u>Rural Cooperative Development Grant Program (RCDG)</u> • <u>Rural Economic Development Loan and Grant Program</u> • <u>Rural Innovation Stronger Economy Grant (RISE)</u> • <u>Rural Microentrepreneur Assistance Program (RMAP)</u> • <u>Socially Disadvantaged Groups Grant</u> • <u>Value Added Producer Grants</u> 	<ul style="list-style-type: none"> • <u>Community Facilities Direct Loans & Grants and Community Facilities Guaranteed Loan Program</u> • <u>Community Facilities Technical Assistance and Training Grant</u> • <u>Distance Learning and Telemedicine Grants</u> • <u>Intermediary Relending Program (IRP)</u> • <u>Rural Business Development Grants</u> • <u>Rural Cooperative Development Grant Program (RCDG)</u> • <u>Rural Microentrepreneur Assistance Program (RMAP)</u> • <u>Water and Environmental Programs Solid Waste Management Grants</u> • <u>Water and Environmental Programs Sustainable Management Tools</u> • <u>Water and Environmental Programs Technical Assistance and Training Grants</u> • <u>Rural Community Development Initiative Grants</u>
<p>Designed to assist Universities, community colleges and eligible educational institutions such as technology institutes and vocational schools, among others.</p>	<ul style="list-style-type: none"> • <u>Rural Business Development Grants</u> • <u>Rural Community Development Initiative Grants</u> • <u>Water and Environmental Programs Sustainable Management Tools</u> 	<ul style="list-style-type: none"> • <u>Community Facilities Direct Loans & Grants and Community Facilities Guaranteed Loan Program</u> • <u>Distance Learning and Telemedicine Grants</u> • <u>Rural Business Development Grants</u> 	<ul style="list-style-type: none"> • <u>Rural Business Development Grants</u> • <u>Rural Community Development Initiative Grants</u> • <u>Rural Cooperative Development Grant Program (RCDG)</u> • <u>Rural Innovation Stronger Economy Grant (RISE)</u> 	<ul style="list-style-type: none"> • <u>Community Facilities Direct Loans & Grants and Community Facilities Guaranteed Loan Program</u> • <u>Distance Learning and Telemedicine Grants</u> • <u>Rural Business Development Grants</u> • <u>Rural Cooperative Development Grant Program (RCDG)</u> • <u>Water and Environmental Programs Solid Waste Management Grants</u>

*Specific eligibility requirements apply. Please refer to regulatory guidelines to learn more about applying for these opportunities. **NOTE: In times of emergency, current borrowers should check Rural Development program web pages for important updates: www.rd.usda.gov.**

Technical Assistance Preparedness and Recovery Partners



In addition to Rural Development programs listed above, USDA also partners with – and funds a variety of – Technical Assistance providers to support rural communities in planning and recovery efforts, among them:

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- The Circuit Rider Program provides technical assistance to rural water systems experiencing operational, financial or managerial issues. Rural water system officials may request assistance from the Rural Utilities Service (RUS), or RUS staff may request assistance on behalf of the system. For this program, RUS contracts with the National Rural Water Association.
 - The National Rural Water Association is a nonprofit organization dedicated to training, supporting, and promoting the water and wastewater professionals that serve small communities across the United States.
 - The Rural Community Assistance Partnership (RCAP) is a national network of nonprofit organizations working to provide technical assistance, training, resources, and support to rural communities across the United States, on Tribal lands, and in U.S. territories.
 - The Extension Disaster Education Network (EDEN) is a collaborative multistate effort by Cooperative Extension Services across the country to improve the delivery of services to citizens affected by disasters. EDEN is made possible by USDA's National Institute of Food and Agriculture (NIFA) and participating USDA Cooperative Extension and NOAA Sea Grant Extension programs.



COVID-19 Response and Recovery

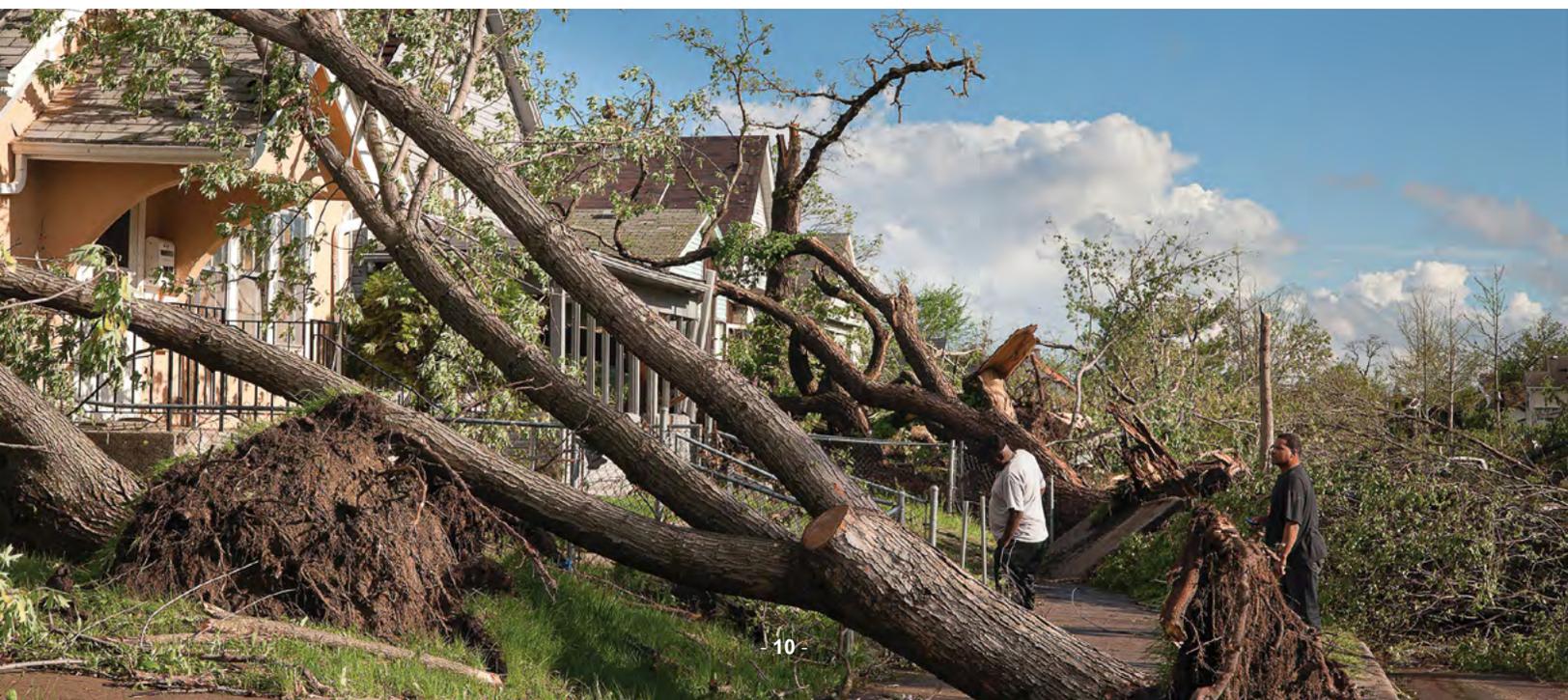
To help rural residents, businesses and communities affected by the COVID-19 outbreak, USDA RD implemented a variety of flexibilities with programmatic timelines and reporting requirements, extended loan moratoriums and forbearance options for borrowers, and increased investments in rural America with funding made available in supplemental appropriations bills.

As the nation continues down this path to recovery, USDA RD remains committed to helping rural America thrive. www.rd.usda.gov/coronavirus.

Federal Partners in Disaster Grid

Through FEMA's [National Disaster Recovery Framework](#), and the [Recovery Support Functions](#) (RSF) structure, USDA RD works in partnership with a variety of agencies across USDA and the federal government to aid in recovery efforts. Each RSF is assigned a coordinating federal agency along with several other primary and supporting agencies. USDA RD serves an important role in these interagency recovery efforts, offering financial or technical assistance support that spans all six RSFs: Community Planning and Capacity Building, Economic, Health and Social Services, Housing, Infrastructure Systems, and Natural and Cultural Resources.

Agency	Community Planning and Capacity Building	Economic	Health and Social Services	Housing	Infrastructure Systems	Natural and Cultural Resources
Dept. of Homeland Security / FEMA	Coordinating (+ Primary)	Primary	Primary	Primary	Primary	Primary
Dept. of Commerce / EDA	Support	Coordinating (+ Primary)	Primary	Support	Support	Support
Dept. of Health and Human Services	Support	Support	Coordinating	Support	Support	N/A
Dept. of Housing and Urban Development	Primary (+ Support)	Support	Primary	Coordinating (+ Primary)	Support	N/A
U.S. Army Corps of Engineers	Support	N/A	N/A	N/A	Coordinating (+ Primary)	Support
Department of the Interior	Support	Support	Primary	N/A	Support	Coordinating (+ Primary)
Department of Agriculture	Support	Primary	Primary	Primary	Support	Support



Federal Agencies Involved in Disaster Assistance



The following federal resources complement USDA programs that can be used in disaster preparation, planning, resiliency and recovery featured in the matrix. This list is not inclusive of all federal disaster recovery resources.

- **Federal Emergency Management Agency (FEMA)**
<https://www.fema.gov/>
- **Department of Homeland Security**
[Homeland Security | Home \(dhs.gov\)](#)
- **US Economic Development Administration**
[U.S. Economic Development Administration \(eda.gov\)](#)
- **Department of Commerce**
[U.S. Department of Commerce](#)
- **Department of Health and Human Services (HHS)**
[HHS.gov](#)
- **Department of Housing and Urban Development**
[HUD | HUD.gov / U.S. Department of Housing and Urban Development \(HUD\)](#)
- **U.S. Army Corps of Engineers**
[Headquarters U.S. Army Corps of Engineers](#)
- **Department of Interior**
[U.S. Department of the Interior \(doi.gov\)](#)
- **U.S. Small Business Administration (SBA)**
[Small Business Administration \(sba.gov\)](#)

Additional USDA Resources

- [Disaster Resource Center | USDA](#) The Disaster Resource Center provides information on how to prepare, recover and build long-term resilience during disasters and emergencies.
- [Disaster Recovery Assistance | NRCS \(usda.gov\)](#) From floods to drought, fire or hurricanes, NRCS provides disaster recovery assistance to farmers, ranchers, landowners and communities through a variety of USDA programs.
- [Disaster Assistance Programs | FSA \(usda.gov\)](#) USDA offers a variety of programs and services to help communities, farmers, ranchers, and businesses.
- <https://www.farmers.gov/recover> USDA is here to help you prepare, recover, and build long-term resilience to natural disasters. Visit the USDA Disaster Resource Center for information about specific disasters and emergencies and to connect with state and local help.
- [Natural Disaster Resources | RMA \(usda.gov\)](#) The Federal Crop Insurance Program is designed to provide a robust and reliable farm safety net, regardless of the size and scope of natural disasters.
- [Tips for Handling Food Following a Disaster | USDA-FNS](#) If any type of unexpected emergency strikes your community, you may not have access to fresh food, water, or electricity for days, maybe weeks. This web page is a portal site that will provide you with useful information so you can be prepared when an emergency strikes.
- [D-SNAP vs. SNAP \(usda.gov\)](#) Understanding the differences between USDA's Supplemental Nutrition Assistance Program and Disaster Supplemental Nutrition Assistance Program.
- [Rural America's Partner in Disaster Recovery Brochure](#) When disaster hits and you need to rebuild or repair your home, business, or community, USDA Rural Development offers financial assistance programs that address immediate needs, support long-term recovery efforts, and build for the future in regions hit by natural disaster.
- [COVID-19 Federal Rural Resource Guide](#): As the COVID-19 response continues, this resource will help rural leaders navigate opportunities to help strengthen the rural workforce and support recovery efforts for rural businesses. For a comprehensive list of immediate and long-term Federal assistance for communities affected by the pandemic, rural community leaders are encouraged to review this guide to help support recovery efforts for rural residents, businesses and communities. For more information on USDA's COVID-19 response, visit www.usda.gov/coronavirus.
- USDA RD's [Catalog of Programs](#) includes additional loan and grant program information and eligibility.
- USDA RD's official website: www.rd.usda.gov
- <https://www.rd.usda.gov/page/rural-development-disaster-assistance>

Stories of Disaster Resiliency and Recovery

A Heap of Hope When All Seemed Lost – Wildfire Survivor in Phoenix, Oregon

Susan Smith has lived through a lot over the years: hurricanes, a serious medical condition, a global pandemic. She had heard about the fire burning in Ashland, just south of her subsidized apartment in the small town of Phoenix, but wildfires had never gotten close enough to threaten her before. Then a police officer knocked on her door and told her to evacuate. “Now!” he ordered when she hesitated.

Susan had no time to pack. She doesn't own a car, so the police officer paired her with another tenant who had room for both her and her service dog. They were the last to leave Rose Court Apartments, which was originally built with financing from USDA Rural Development and receives rental assistance for low-income tenants that cannot otherwise afford rent.

They spent the night at the Jackson County Expo Center evacuation site. The next day, they received the devastating news: their apartment complex had burned down.

For the next two weeks, Susan lived at the expo center. The evacuees who did not have a home to return to were then moved to hotels, where Susan spent another two weeks.

Through its [MultiFamily Housing programs](#), USDA Rural Development issued a Letter of Priority Entitlement (LOPE), giving those displaced by the wildfires priority for placement at other USDA-financed rental properties. A unit soon became available nearby at the Big Valley Jacksonville Apartments. Susan was offered the space.

The family of the outgoing tenant, who was moving to an assisted living facility, learned from the apartment manager that the unit would be given to a wildfire survivor who had lost everything she owned.

When Susan moved into her new home, she was shocked to find it fully furnished. The family of the outgoing tenant had not only left behind all his furniture, they had also thoroughly cleaned the unit and stocked it with newly purchased supplies, from bath soap to grocery staples.

“I am truly blessed to have someone think of me at the time of my greatest need,” said Susan, who is determined to pay forward this generous gift.



Building Resiliency for Islands in the Storm

The U.S. Virgin Islands (USVI) is no stranger to hurricanes and tropical storms. But In 2017, the islands were hit by two major hurricanes that landed within weeks of each other. In the recovery efforts that followed, a couple of key items became clear: the need to improve island resiliency, and to ensure the continuity of vital services like electric service and access to medical care.

USDA RD partnered with the USVI Economic Development Authority (USVIEDA) to support a business incubator on St. Croix. Operating from an industrial park, the incubator housed five small, developing businesses that together have more than 50 employees. To help support the economic stability of these rural small businesses, USDA RD provided a \$50,000 Rural Business Development Grant, and funds were used to purchase and install a generator at the industrial park. This project helped ensure St. Croix has one more power safety net in place when the next storm hits.

Continuity of medical care is another component of disaster preparation, whether for a global pandemic or weather-related incident. Telemedicine allows for remote care that keeps services in place regardless of physical obstacles. In 2019, USVI's Plessen Healthcare implemented a telehealth program at its Orange Grove medical center, allowing patients on the island to get specialized medical care from doctors across the globe.

The technology and equipment that helped make telemedicine possible for Plessen Healthcare was supported by USDA RD's Distance Learning and Telemedicine (DLT) Grant program. The DLT grant program helps rural communities use the unique capabilities of telecommunications to connect to each other and the world, overcoming the effects of remoteness and low population density.

Partnerships Key to Louisiana Disaster Recovery Assistance

The Louisiana Watershed Initiative was launched in 2018, creating eight watershed regions across the state, each with a governance structure to support Louisiana's long-term sustainability and resilience from flooding risks. Planning was underway in the various regions to develop approaches to lessen flood risk, improve capacities, and maximize natural functions when another series of disasters impacted the state. The 2020 hurricane season and subsequent winter storms in early 2021 put a significant dent on Louisiana's vital watersheds, as well as other infrastructure systems.

As part of FEMA-led recovery efforts, USDA RD coordinated with the Department of the Interior (DOI) to develop a two-day speaker series specific to Watershed 2, located in a rural portion of the state. The series included information on available programming and technical assistance resources that will serve as a foundation to help guide Watershed 2's priorities and decisions in recovery. Along with state and local groups, four federal agencies participated in the event.

Robust partnerships also helped address other infrastructure needs that followed the disasters. For instance, in response to Hurricane Laura in August 2020, USDA RD coordinated with FEMA's Public Assistance staff to identify projects that need funding for equipment, rehabilitation, or new construction. As a result of this partnership, more than 320 water, wastewater treatment, and community facilities projects came to the attention of Louisiana Rural Development's Community Programs staff for preliminary eligibility reviews regarding scope and entity eligibility.

Contact Us

USDA Rural Development

<https://www.rd.usda.gov/>

Contact your local RD State Office:

<https://www.rd.usda.gov/about-rd/state-offices> to learn more about RD loan, grant and technical assistance programs. or Multifamily Programs regarding rural rental housing assistance.

USDA Food and Nutrition Service

<https://www.fns.usda.gov/>

Contact to your SNAP State Contact:

<https://www.fns.usda.gov/snap/state-directory>

to learn more about the Supplemental Nutritional Assistance (SNAP) Programs.

USDA Risk Management Agency

<https://www.rma.usda.gov/>

USDA Farm Service Agency

<https://www.fsa.usda.gov/>

USDA Natural Resource Conservation Agency

<https://www.nrcs.usda.gov/wps/portal/nrcs/site/national/home/>

USDA Agricultural Marketing Service

<https://www.ams.usda.gov/>

USDA Forest Service

<https://www.fs.usda.gov/>

USDA National Institute of Food and Agriculture

<https://nifa.usda.gov/>



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Rural Home Loans (Direct Program)

What does this program do?

Also known as the Section 502 Direct Loan Program, this program assists low- and very-low-income applicants obtain decent, safe, and sanitary housing in eligible rural areas by providing payment assistance to increase an applicant's repayment ability. Payment assistance is a type of subsidy that reduces the mortgage payment for a short time. The amount of assistance is determined by the adjusted family income.

Who may 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.

Applicants 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 modest in size for the area
- Not have market value in excess of the applicable area loan limit
- Not have in-ground swimming pools
- Not be designed for income producing activities

Borrowers are required to repay all or a portion of the payment subsidy received over the life of the loan when the title to the property transfers or the borrower is no longer living in the dwelling.

Applicants must meet income eligibility for a direct loan. Please contact your local RD office to ask for additional details about eligibility requirements.

What is an eligible area?

Generally, rural areas with a population less than 35,000 are eligible. Visit the USDA Income and Property eligibility website for complete details.

How may funds be used?

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.

How much may I borrow?

The maximum loan amount an applicant may qualify for will depend on the applicant's repayment ability. The applicant's ability to repay a loan considers various factors such as income, debts, assets, and the amount of payment assistance applicants may be eligible to receive. Regardless of repayment ability, applicants may never borrow more than the area loan limit (plus certain costs allowed to be financed) for the county in which the property is located.

What is the interest rate and payback period?

- Fixed interest rate based on current market rates at loan approval or loan closing, whichever is lower.
- The monthly mortgage payment, when modified by payment assistance, may be reduced to as little as an effective 1% interest rate.
- Up to 33 year payback period - 38 year payback period for very low income applicants who can't afford the 33 year loan term.

How much down payment is required?

No down payment is typically required. Applicants with assets higher than the asset limits may be required to use a portion of those assets.

Is there a deadline to apply?

Applications for this program are accepted through your [local RD office](#) year round.

How long does an application take?

Processing times vary depending on funding availability and program demand in the area in which an applicant is interested in buying and completeness of the application package.

What governs this program?

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

NOTE: Because citations and other information may be subject to change, please always consult the program instructions listed in the section above titled “*What Governs This Program?*” You may also contact [your local office](#) for assistance. You will find additional forms, resources, and program information at [rd.usda.gov](#). *USDA is an equal opportunity provider, employer, and lender.*

Single Family Housing Repair Loans and Grants

What does this program do?

Also known as the Section 504 Home Repair program, it 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 can 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 within the very-low-income limit**
- **For grants, be age 62 or older and not be able to repay a repair loan**

What is an eligible area?

Properties must be located in an eligible rural area. You can visit the USDA Income and Property Eligibility website (available at this link: <https://go.usa.gov/xzcdM>) for complete details.

How can funds be used?

- Loans can 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 \$40,000.
- Maximum grant is \$10,000.
- Loans and grants can be combined for up to \$50,000 in assistance.

What are the terms of the loan or grant?

- Loans are repaid over 20 years.
- Loan interest rate is fixed at 1 percent.
- Full title service is required for loans greater than \$25,000.
- Grants have a lifetime limit of \$10,000.
- Grants must be repaid if the property is sold in less than three years.

- If applicants can repay part - but not all - of the costs, they may be offered a loan and grant combination.

Is there a deadline to apply?

Applications are available year-round as long as funding is available, and 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 state or area office-based USDA home loan specialist (a map is available at this link: <https://www.rd.usda.gov/browse-state>) for help with your application.

How do I get started?

Contact a USDA home loan specialist (information is available at this link: <https://www.rd.usda.gov/browse-state>) in your area.

What governs this program?

- The Housing Act of 1949 as amended; 7 CFR, Part 3550 (available at this link: <https://go.usa.gov/xzcvG>)
- HB-1-3550 - Direct Single Family Housing Program Field Office Handbook (available at this link: <https://go.usa.gov/xzcvM> - PDF)

NOTE: Because citations and other information is subject to change, always consult the program instructions listed in the section above titled “What Governs This Program?” You can also contact your local office for assistance (a list is available at this link: <https://go.usa.gov/xzjP7>). You will find additional forms, resources, and program information at rd.usda.gov. *USDA is an equal opportunity provider, employer, and lender.*