



# ***Direct Developments – Single Family Housing Direct Loan Program***

December 4, 2014

## **Funding Update and Information**

### **\$14 Million Available for USDA Rural Development Direct Home Loans in Iowa**

USDA Rural Development now has \$14 million in direct loan funds available to assist qualifying rural Iowans with their home mortgage purchases. These loans, which are available on a first come, first served basis through September 30, 2015, include benefits such as:

- No down payment
- 33-year loan term
- Current 3.375 percent fixed interest rate
- Payment assistance for eligible applicants
- Quick processing timeframes

### **Purchasing One-Year Home Warranty Strongly Encouraged**

USDA Rural Development is strongly encouraging applicants to obtain a one-year home warranty. The cost of the home warranty is not an eligible loan purpose. It is encouraged to be covered by the seller in the purchase agreement.

### **Single Family Housing Direct Program ListServ Now Available**

ListServ is a FREE email service that delivers instant USDA Rural Development Single Family Housing Direct program updates via email. Realtors and other housing partners are encouraged to subscribe to receive program updates from the agency's National Office Direct Program staff.

Using the link below, check the box for “SFH Direct Loan and Grant Programs” (as well as any other programs of interest) and then select “Subscribe” at the bottom of the page.

<http://www.rdlist.sc.egov.usda.gov/listserv/mainservlet>

## **Our Commitment to Excellent Customer Service**

We have recently implemented a customer service survey at the time of loan closing, so realtors and applicants have the opportunity to let us know how we can better serve them. A realtor recently rated their overall experience in working with our staff 10 out of 10 for each of the following: customer service, staff, communication, length of process, ease of process, timeliness, efficiency, professionalism, knowledge, and program requirements.

Another realtor had this to say: "Staff was excellent to work with and assisted my client every step of the way in realizing her dream of home ownership."

## **Application Tips**

### **Pre-Qualification Helps Determine an Applicant's Program Eligibility**

Applicants for a USDA Rural Development Direct Home Loan are strongly encouraged to submit a no-cost pre-application to receive a quick evaluation of potential program eligibility.

If you have a client who you think would qualify for a USDA Rural Development Direct Home Loan please have them request a pre-qualification form today by emailing [DirectIA@ia.usda.gov](mailto:DirectIA@ia.usda.gov) or by calling (515) 284-4444, preferably before they have already signed a purchase agreement.

## **Guaranteed Rural Housing Program Update**

### **USDA's Guaranteed Rural Housing Program Implements Recent Regulation Change**

USDA Rural Development's Guaranteed Rural Housing (GRH) loan program implemented Regulation 3555 on December 1, 2014, which replaces RD 1980-D Instruction. Some of the eligible property changes are as follows:

- In-ground swimming pools are allowed without deducting the contributory value.
- Lenders will verify the property is not income producing. The value of out buildings no longer needs to be deducted from the appraised value to determine the maximum loan amount. The property must be predominately residential in character, use and appearance and not income producing.
- Escrow is allowed for interior and exterior work.
- Flood elevation certifications are no longer required on existing homes. If any portion of the dwelling or residential improvements is in the flood plain, flood insurance must be obtained.
- Manufactured homes require that the foundation meet HUD handbook 4903.3 guidelines from a licensed engineer or registered architect.

Plenty of GRH loan program funding is available in communities with less than 20,000 residents. Please contact LindaKay Rhoades, USDA Rural Development Rural Housing Specialist in Iowa, at (515) 284-4723 or [Linda.Rhoades@ia.usda.gov](mailto:Linda.Rhoades@ia.usda.gov) with any questions.

# Iowa's Direct Home Loan Program Team

## Meet the USDA Rural Development Single Family Housing Team in Iowa

USDA Rural Development in Iowa has 10 staff members who are dedicated to assisting rural Iowans with the agency's Direct Home Loan Program. Click on this link [RD Direct Housing Staff 120414.pdf](#) and meet the team.

Shannon Chase – USDA Rural Development Housing Program Director

Mary Beth Juergens – Direct Loan Program Coordinator

Jessica Bass – Direct Loan Program Specialist

Abbey Lukehart – Direct Loan Program Specialist

Desirae Willms – Direct Loan Program Specialist

Bruce Buldhaupt – Direct Loan Program Technician

Chase Uhlman – Direct Loan Program Technician

Patricia Myers – Direct Loan Program Technician

Whitney Baragary – Rural Housing Program Specialist (providing Spanish-language translation services to applicants and customers)

Jill Divelbess – Rural Housing Program Technician

### Contact USDA Rural Development Today

Contact USDA Rural Development's Direct Home Loan Program staff today.

Email: [DirectIA@ia.usda.gov](mailto:DirectIA@ia.usda.gov)

Central phone: (515) 284-4444

Central fax: (855) 415-3562

Mailing address: USDA Rural Development

210 Walnut Street, Room 873

Des Moines, Iowa 50309

*Please send an email to [DirectIA@ia.usda.gov](mailto:DirectIA@ia.usda.gov) to be removed from our mailing list or of if you have any questions about the Direct Home Loan Program.*

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