



United States
Department of
Agriculture

Rural Development



One-Stop Guide to Rural Development Home Loan Financing



100% Financing
to Purchase a Home

HOUSING LOANS FOR FAMILIES OF EVERY BACKGROUND

Our Purpose, Your Guide

This guide was designed to provide you with a working knowledge of our programs that will assist you in helping your clients.



WWW.RD.USDA.GOV/NE

TABLE OF CONTENTS

04 | **Guidebook Summary**
Affordable Housing
Rural Development + You = Rewarding Partnership

06 | **Online Resources**
Resources Available on the Web
Resources and Homeownership Videos

08 | **Direct Loan Financing**
USDA Rural Development Direct Loan Financing
Direct Income Limits
Indicators of Unacceptable Credit
Understanding the Direct Loan Transaction
Pre-Qualification Package
Affordability Through Subsidized Payments
Direct Loan Program
Subsidy Recapture

21 | **Guaranteed Loan Financing**
Guaranteed Rural Housing (GRH) Program
Guaranteed Loan Highlights
Guaranteed Loan Income Limits
Managing the Guaranteed Loan Transaction
Guaranteed Loan Approved Lender List

30 | **Property and Site Requirements**

31 | **Homebuyer Education**

34 | **Additional Housing Programs**
504 Repair Loans and Grants
504 Repair Loans and Grants Income Limits

36 | **Success Stories**
Success Stories-Partnering with
Local Communities and Organizations

38 | **Contact US**
Single Family Housing Staff Directory



WHAT IS AFFORDABLE HOUSING?

Housing is typically considered affordable when it costs no more than **30 percent** of a household's income for principal, interest, taxes and insurance.

Why is affordable housing necessary?

Lack of affordable housing creates hardships in low-moderate households in meeting other basic needs.

Affordable housing provides social and economic benefits by stabilizing families, allowing families to build assets, establishes pride of ownership, broadens tax base and helps attract residential and commercial development.

Through Rural Development, we can overcome barriers to assist families to obtain affordable housing.



Barriers to Affordable Housing:

01

Lack of cash reserves for down payment.

04

Availability of suitable financing.

02

Inability to meet high housing costs.

03

Lack of available housing or sub-standard existing housing.



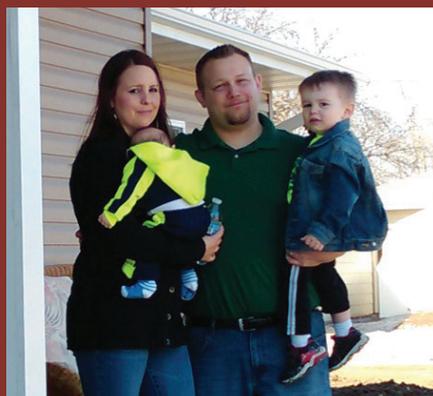
RURAL DEVELOPMENT + YOU

At **Rural Development** we are committed to assisting rural communities.

Eligible applicants must meet income guidelines and homes must be located in rural areas.

All communities in Nebraska are eligible for Rural Development housing programs with the following exceptions:

- ▶ Fremont
- ▶ Grand Island
- ▶ Hastings
- ▶ Kearney
- ▶ Lincoln
- ▶ North Platte
- ▶ Omaha
- ▶ South Sioux City/Dakota City



VACHA FAMILY LYONS, NEBRASKA

Rural Development offers two separate homeownership programs to help more people achieve the dream of homeownership:

- Direct Rural Housing Loan
- Guaranteed Rural Housing Loan



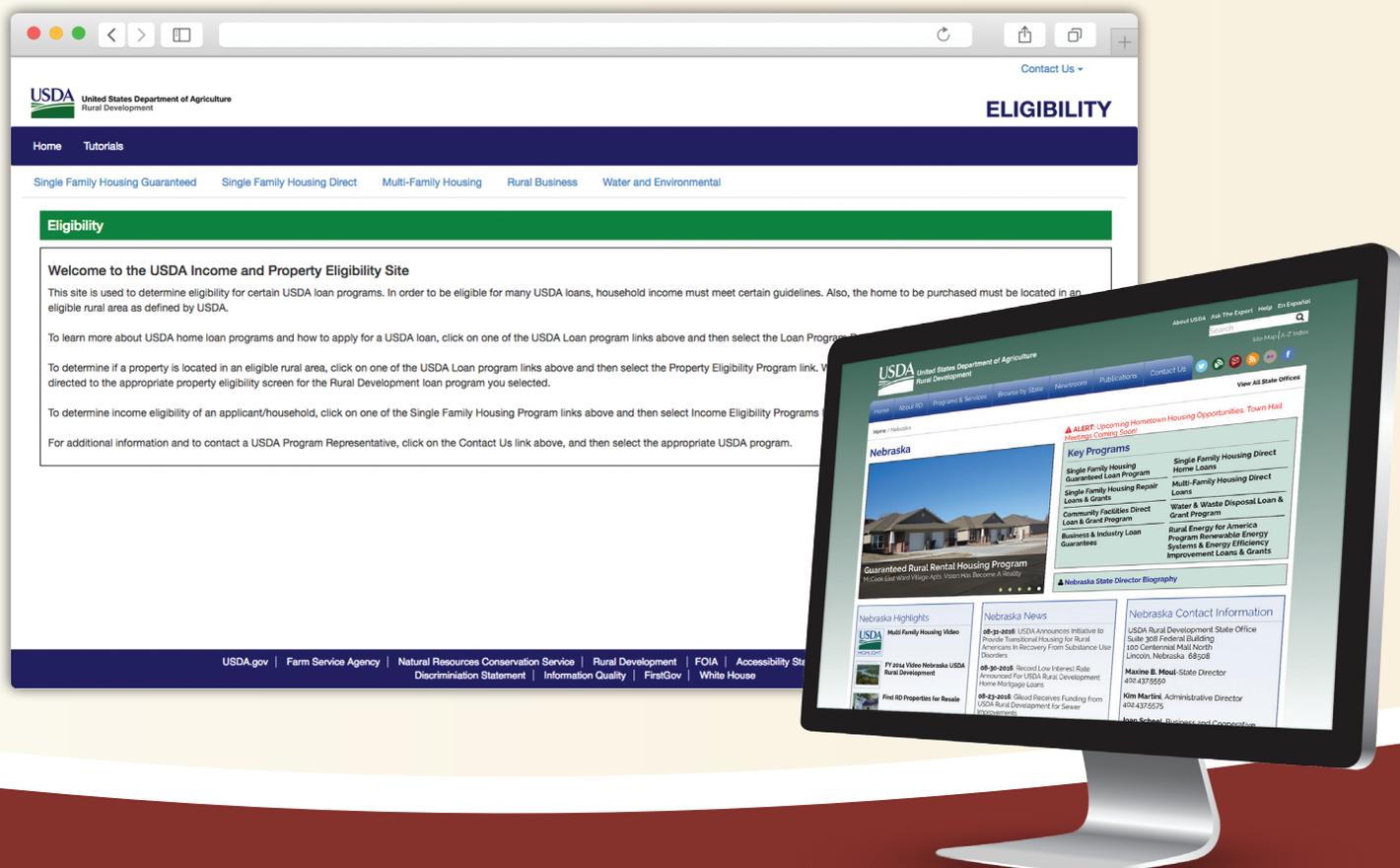
ORTIZ FAMILY CRETE, NEBRASKA

We need dedicated lenders, real estate professionals, builders, contractors, appraisers and other professionals to help us achieve our mission in providing affordable housing.

ONLINE RESOURCES

Nebraska USDA Rural Development Website: www.rd.usda.gov/ne

Eligibility Website: <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>



What Resources are Available Online?

- ▶ Eligible areas (Single Family Housing)
- ▶ Quick client qualifier: income eligibility
- ▶ Income limits by state
- ▶ Program contacts

USDA Rural Development's online website can direct you to the resources that you need to help you make important life decisions when it comes to homeownership.

USDA Rural Development-Nebraska www.rd.usda.gov/ne

This website provides information about our housing programs, agency and lender contacts, additional eligibility information, as well as links to many other Rural Development programs.

Applicants May Pre-Qualify for a Direct Single Family Housing Loan

This is voluntary and does not represent an application, but the pre-qualification review provides an opportunity to consider whether an applicant meets basic eligibility requirements for the 502 Direct Program and the likelihood that an applicant would be program eligible. Rural Development, or its packaging agency, will complete the review based on the unverified information provided and contact the potential applicant with the results. This process is FREE and will save a potential applicant any fees if it does not appear they meet eligibility criteria. (Please note, a credit report will be pulled in conjunction with a pre-qualification review and will represent a "hard hit" on the credit report). Please feel free to share the pre-qualification package with your clients that are seeking purchase of a home.

A link to the pre-qualification package can be found on the Nebraska website under the Single Family Housing Direct Home Loans "Forms & Resources" tab.

Income and Property Eligibility <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>

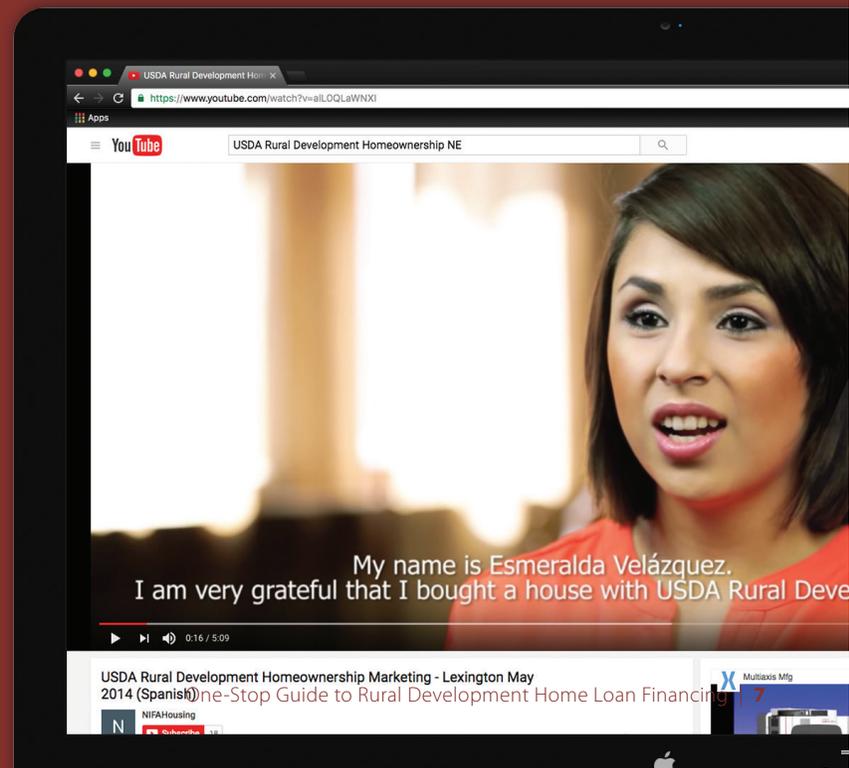
Visit this website for determining if a property is located within an eligible area, applicant income eligibility and income limits for the Rural Development housing programs.

Nebraska Investment Finance Authority (NIFA) <http://nifa.org/>

Nebraska Investment Finance Authority (NIFA) is a state housing agency in Nebraska. NIFA can assist first time homebuyers to obtain financing through single family bond issues, which typically allows for lower interest rates. The NIFA program can be used in conjunction with the Rural Development GRH program.

LOOKING FOR HOMEOWNERSHIP OPPORTUNITIES?

Watch our videos on how we were able to help applicants achieve their dream of owning a home! Versions in both English and Spanish. Located on YouTube. Search: **"USDA Rural Development Homeownership NE"**



DIRECT LOAN FINANCING

Direct Loan

LOANS UP TO **100%** OF MARKET VALUE WITH NO DOWN PAYMENT

- Loans for new construction, purchase of new or existing dwellings, necessary repairs.
- Homes must be located in rural communities. All communities in Nebraska are eligible for housing programs with the exceptions of Fremont, Grand Island, Hastings, Kearney, Lincoln, North Platte, Omaha and South Sioux City/Dakota City.
- Clients may begin the application process with a Packaging Agency in partnership with Rural Development Staff, under a centralized process, allowing for faster processing timeframes, or by applying directly with Rural Development.
- Must have acceptable credit demonstrating timely payment of obligations. Credit scores of 640 or greater are typically considered as acceptable with minimal acceptable trade lines. Credit scores below 640 may require additional credit analysis.
*See indicators of unacceptable credit on page 10.
- Program income limits apply; this table is included in this Guide. (See next page).
- Homes must be considered “modest” which includes a standardized square footage determination. This is 2,000 square feet (above grade living space only). If circumstances require a larger square footage, the applicant must work with processing staff to determine if an exception may be justified and requested.
- Competitive fixed rates—33 year loan terms. In some cases 38 year term may be available.
- SOME CLIENTS MAY QUALIFY FOR SUBSIDIZED PAYMENTS—Interest rate may be subsidized to as low as 1 percent for qualified applicants, thereby making payments more affordable. These homeowners could have their subsidy subject to recapture upon selling, or paying off, their home. Subsidy is also subject to cancellation if a borrower ceases to occupy the property.
- Homes must be structurally sound and functionally adequate. Homes will be inspected and repairs may be necessary. Costs for repairs may be included in the loan up to appraised value.

Maximum purchase price limits vary by county. ►

The following are the maximum area loan limits for Nebraska effective May 4, 2016:

Counties	Loan Limit
Cass, Douglas, Lancaster, Sarpy, Saunders, Seward and Washington	\$190,000
Cheyenne County	\$185,000
Madison, Platte, Stanton	\$180,000
All Other Counties	\$170,000

NOTE: Homebuyer Education is required on Rural Development DIRECT Loans prior to loan closing.

INCOME LIMITS

Direct 502 Program | Effective 6.15.16

ALL household income must be considered (even if not the applicant or co-applicant) when determining if the family meets the qualifying household income limits.

Income limits are typically UPDATED each year around April. To check for the most current version go to the NE website: www.rd.usda.gov/ne

SELECT: Single Family Housing Direct Home Loans

SELECT: Nebraska Income Limits for Single Family Direct Housing Loans

County	1-4 Person	5-8 Person
Omaha MSA		
Cass County		
Douglas County		
Sarpy County		
Washington County	\$58,400	\$77,100
Saunders County	\$61,700	\$81,450
Lincoln MSA		
Lancaster County	\$56,800	\$75,000
Seward County	\$62,800	\$82,900
Grand Island MSA		
Hall County		
Merrick County	\$48,800	\$64,400
Hamilton County	\$52,500	\$69,300
Howard County	\$53,200	\$70,200
Sioux City MSA		
Dakota County		
Dixon County	\$50,650	\$66,850
Adams	\$54,150	\$71,500
Buffalo	\$55,050	\$72,650
Burt	\$51,750	\$68,300
Butler	\$54,300	\$71,700
Cheyenne	\$52,950	\$69,900
Colfax	\$50,800	\$67,050
Cuming	\$50,800	\$67,050
Dawes	\$51,200	\$67,600
Fillmore	\$51,350	\$67,800
Frontier	\$49,450	\$65,250
Gage	\$50,500	\$66,650
Hamilton	\$52,500	\$69,300
Holt	\$49,750	\$65,650
Kearney	\$53,900	\$71,150
Keith	\$49,200	\$64,950
Lincoln	\$54,250	\$71,600
Madison	\$50,000	\$66,000
McPherson	\$50,900	\$67,200
Nemaha	\$53,500	\$70,600
Otoe	\$53,900	\$71,150
Perkins	\$54,150	\$71,500
Phelps	\$54,100	\$71,400
Pierce	\$51,850	\$68,450
Platte	\$51,750	\$68,300
Polk	\$52,400	\$69,150
Red Willow	\$49,900	\$65,850
Saunders County	\$61,700	\$81,450
Stanton	\$50,400	\$66,550
Thomas	\$52,000	\$68,650
Wayne	\$54,550	\$72,000
York	\$51,200	\$67,600
All Other Counties	\$48,800	\$64,400

INDICATORS OF UNACCEPTABLE CREDIT

Direct Loan



HB-1-3550

Paragraph 4.10 Credit Requirements

Exhibit 4-4 Indicators of Unacceptable Credit

1. Little or no credit history. The lack of credit history on the credit report may be mitigated if the applicant can document a willingness to pay recurring debts through other acceptable means such as third party verifications or canceled checks. Due to impartiality issues, third party verifications from relatives of household members are not permissible.
2. Payments on any installment account where the amount of the delinquency exceeded one installment for more than 30 days within the last 12 months.
3. Payments on any revolving account which was delinquent for more than 30 days on two or more occasions within the last 12 months.
4. A foreclosure that has been completed within the last 36 months.
5. An outstanding Internal Revenue Service (IRS) tax lien or any other outstanding tax liens with no satisfactory arrangement for payment.
6. Two or more rent or mortgage payments paid 30 or more days late within the last 2 years. If the applicant has experienced no other credit problems in the past 2 years, only 1 year of rent history will be evaluated. This requirement may be waived if the program loan will reduce shelter costs significantly and contribute to improved repayment ability.
7. Outstanding collection accounts with a record of irregular payments with no satisfactory arrangements for repayment, or collection accounts that were paid in full within the last 6 months, unless the applicant had been making regular payments previously.
8. Non-Agency debts written off within the last 36 months, unless the debt was paid in full at least 12 months ago.
9. Agency debts that were debt settled within the past 36 months, or are being considered for debt settlement.
10. Delinquency on a federal debt.
11. A court-created or court-affirmed obligation or judgment caused by nonpayment that is currently outstanding or has been outstanding within the last 12 months, **except:**
 - A bankruptcy in which:
 - Debts were discharged more than 36 months prior to the date of application; or
 - Where an applicant successfully completed a bankruptcy debt restructuring plan and has demonstrated a willingness to meet obligations when due for the 12 months prior to the date of application.
 - A judgment satisfied more than 12 months before the date of application.

****The above general criteria may not automatically exclude you from loan eligibility****

An applicant with an outstanding judgment obtained by the United States in a Federal court, other than the United States Tax Court, is not eligible for a Section 502 loan. This requirement is statutory and cannot be waived.

UNDERSTANDING THE DIRECT LOAN



Timeframe
4-6 weeks

1. Interested parties may submit a “Pre-Qualification Worksheet” and “Authorization to Release Information” form to determine if they may potentially meet basic eligibility requirements for the 502 Direct program. See the following pages for the Pre-Qual Worksheet and Authorization form. They may also contact any of our Direct Loan Processing Specialists to do a “verbal” pre-qualification review.
2. After pre-qualifying, applicants may submit the full application packet.
3. Rural Development **verifies** information such as employment, rent, credit, etc., as applicable. Eligibility should be completed within 30 days as long as COMPLETE information is received as requested.
4. Rural Development works with client, and if eligible, issues a “Certificate of Eligibility” for specific pre-qualified amount. Certificate is valid for 45 days and may be extended to 60 days upon request **and availability of funds.**
5. Client enters into a purchase agreement on a home (**allow ample time to close-write contract for 45-60 days minimum**). Contact Rural Development for fund verification prior to contract signing if concerned about funding availability.
6. Inspection of home completed by qualified inspector(s) to ensure house is structurally sound; plumbing, electrical and heating systems are adequate. Termite inspection to ensure the house is free of wood damaging pests. Required repairs may be necessary.
7. Rural Development orders appraisal.
8. Rural Development reviews title report.
9. Rural Development obligates funds.
10. Closing held at title company of buyer’s and/or seller’s choice.



STAN AND CONNIE M.
RURAL DEVELOPMENT
HELPS GET DEALS
DONE AND YOUR
CLIENTS INTO HOMES.

PRE-QUALIFY FOR A SINGLE FAMILY HOUSING

Direct Loan

The Pre-Qualification review provides an opportunity to consider whether an applicant meets basic eligibility requirements for the 502 Direct program. The pre-qualification package is NOT an application for assistance and is voluntary prior to submitting a full application.

If preferred, a hard copy of the package can be mailed by contacting a Rural Development Office. The pre-qualification package can also be e-mailed or found on the NE Rural Development Website.



A pre-qualification review involves using unverified information to evaluate the likelihood that a potential applicant would be program eligible. The results of this no cost review are not official and submission of a pre-qualification worksheet does not represent a formal application for assistance. A request for formal application is welcome at any time. There are fees associated with the formal application for items such as the Tri-Merged Credit Report.

The only purpose for which we will utilize the "Authorization to Release Information" at the time of the pre-qualification review, is to order an in-file (abbreviated) credit report. Please be advised that an in-file credit report is a "hard pull" on credit and credit scores may be affected by an inquiry. Credit scores of 640 or greater are typically considered as acceptable credit with the minimum required tradelines. Credit scores below 640 may require additional credit analysis.

The Pre-Qualification Worksheet, along with a separate Form RD 3550-1, "Authorization to Release Information" for each adult household member should be returned to:

Mail: USDA Rural Development
Attn: Single Family Housing - Direct
818 Ferdinand Plaza, Suite B
Scottsbluff, NE 69361

Fax: (855) 207-0384

E-Mail: RA.NELincoln2.RDPrequal@ne.usda.gov

NOTE: There are 2 forms in this pre-qualification package:

1. Nebraska USDA Rural Development Pre-Qualification Worksheet
2. Form RD 3550-1, "Authorization to Release Information"
(1 copy) Please make or print more copies as needed. Use a separate form for each adult in the household. *DO NOT fill out upper portion, only sign and date at the bottom.

USDA RURAL DEVELOPMENT

Pre-Qualification for 502 Direct Mortgage Loan

Thank you for your interest in our USDA Rural Development Nebraska 502 Direct mortgage loan to purchase a property. USDA Rural Development provides loans in rural areas to eligible low- and very low-income applicants. The loan may be to purchase existing housing, purchase and repair existing housing, purchase a building site and construct a dwelling, or purchase new housing. All communities in Nebraska are eligible for housing programs with the exceptions of Fremont, Grand Island, Hastings, Kearney, Lincoln, North Platte, Omaha and South Sioux City/Dakota. The property must be in good repair or placed in good repair with loan funds and must be energy efficient. A third-party home inspection is required for electrical, heating, plumbing, water and wastewater disposal systems, if applicable, and termite inspections. This third-party inspection must be performed by a qualified home inspector. The payments for costs associated with the inspections will be agreed upon between the buyer and the seller and should be discussed prior to signing a purchase agreement. Rural Development can provide additional guidance for these items as you proceed through the loan process. All who apply get equal consideration without regard to race, color, religion, sex, marital status, age, disability, or national origin.

Following, you will find our "Pre-Qualification Package". There are 2 items/forms in addition to this cover letter in this pre-qualification package:

1. Nebraska USDA Rural Development Pre-Qualification Worksheet
2. Form RD 3550-1, "Authorization to Release Information"

Please complete the Pre-Qualification Worksheet. **In addition, each adult member of the household (18 and older) will need to sign a SEPARATE Form RD 3550-1, "Authorization to Release Information".** This will enable us to order an in-file (abbreviated) credit report at no charge to you. There is only one Form RD 3550-1 included in this package, but each adult will need to sign the bottom of a separate form (do not worry about completing the top portion of the form). Please make/run additional copies if necessary.

All of these items must be returned to the following:

Mail: USDA Rural Development Attn: SFH 818 Ferdinand Plaza, Suite B Scottsbluff, NE 69361	Phone: (308) 632-2195 • Extension 4 Fax: (855) 207-0384 E-Mail: RA.NELincoln2.RDPRequal@ne.usda.gov
---	--

Typically, your pre-qualification information will be reviewed within 5-7 business days. You will be contacted by mail or by phone, with results by one of our Single Family Housing specialists located across the state. The pre-qualification review is FREE, however, these results are informal. A pre-qualification review can give you an idea of whether you may qualify for a loan through our agency prior to forwarding funds necessary to order your official credit report and going through the full application process. The results of the pre-qualification are not binding, as they are not based on verified information.

If the results of your Pre-Qualification review are positive, you will be forwarded the full loan application package, which you may complete and return for full processing of formal application for eligibility. You must submit an official application in order for the Agency to arrive at a final eligibility decision. We would highly recommend that you have your eligibility for the program determined prior to seeking a property. You may request an application for Rural Housing Service loan assistance at any time.

Rural Development

4009 6th Avenue, Suite 1 • Kearney, NE 68845
Voice (308) 455-9838

818 Ferdinand Plaza, Suite B • Scottsbluff, NE 69361
Voice (308) 632-2195 • Extension 4

Statewide Fax (855) 207-0384

100 Centennial Mall North, Suite, 308 • Lincoln, NE 68508
Voice (402) 437-5748

2601 Lakeridge Drive, Suite 2 • Norfolk, NE 68701
(402) 371-5350 • Extension 117

This institution is an equal opportunity provider, employer, and lender.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at 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.



SINGLE FAMILY HOUSING PROGRAMS

Nebraska-Pre-Qualification Worksheet

USDA Income and Property eligibility site: <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>

Return this completed worksheet, along with Form 3550-1, "Authorization to Release Information" (1 for each household member) **via one of the following methods:**

MAIL: USDA Rural Development
Attn: SFH
818 Ferdinand Plaza, Suite B,
Scottsbluff, NE 69361

FAX: 1 (855) 207-0384

E-Mail: RA.NELincoln2.RDPRequal@ne.usda.gov

Results of the pre-qualification are not binding as they are not based on verified information. You may request a formal application at any time.

I wish to obtain assistance in _____ County
Potential Applicant Name: _____
Social Security Number: _____
Current Address: _____

E-Mail address (Optional): _____
Potential Co-Applicant Name: _____
Social Security Number: _____
Current Address: _____

City _____ State _____ Zip _____
Phone Number: _____

City _____ State _____ Zip _____
Phone Number: _____

Household Size: _____ Total Number of Adults: _____ Children (age 17 or younger): _____

Please list EVERYONE that lives in the home below. List **all income** for **all adults** (18 & over).

Please list ALL Household Members	Identify if Applicant, Co-Applicant, or Other Household Member (i.e., child)	GROSS MONTHLY INCOME: List monthly income from employment (before taxes/ deductions), include number of years employed	NON WAGE INCOME (Monthly Amount) Sources such as child support, Social Security, SSI, Food Stamps, VA, Retirement, Alimony, etc.	Full Time Student? Yes or No	Age
(Sample) Jane Doe	Applicant	\$7.50/hr x 40/wk (3 years)	\$300/mo Child Support	No	32

Child Care Expenses for children 12 and under: \$ _____ Weekly for _____ Weeks (School Year)

\$ _____ Weekly for _____ Weeks (Summer)

Unreimbursed Medical and Disability expenses \$ _____ Per Month

Debts (Creditor): All debts must be included even if currently deferred	Minimum Monthly Payment	Total Unpaid Balance
(Sample) Car Payment-MyTown Bank	\$200.00	\$4,000.00

Child support or alimony paid by household members: \$ _____ Monthly OR Weekly

Assets: Checking Account Balance: \$ _____ Do you own real Estate? Yes, Amount: \$ _____ OR No

Savings Account Balance: \$ _____ Other Assets (land, investments, cash): \$ _____

Retirement Assets: \$ _____ List Any Other Assets: _____

Current Living Conditions: Renting Living with Relative Homeowner Monthly Rent: \$ _____

Do you have a present or past loan/grant with Rural Development: Yes No

How did you find out about our program? _____





AUTHORIZATION TO RELEASE INFORMATION

Rural Housing Service

Form RD 3550-1
(Rev. 06-06)

Form Approved
OMB No. 0575-0172

AUTHORIZATION TO RELEASE INFORMATION

TO: _____

RE: _____

Account or Other Identifying Number

Name of Customer

I, and/or adults in my household, have applied for or obtained a loan or grant from the Rural Housing Service (RHS), part of the Rural Development mission area of the United States Department of Agriculture. As part of this process or in considering my household for interest credit, payment assistance, or other servicing assistance on such loan, RHS may verify information contained in my request for assistance and in other documents required in connection with the request.

I, or another adult in my household, authorize you to provide to RHS for verification purposes the following applicable information:

- Past and present employment or income records.
- Bank account, stock holdings, and any other asset balances.
- Past and present landlord references.
- Other consumer credit references.

If the request is for a new loan or grant, I further authorize RHS to order a consumer credit report and verify other credit information.

I understand that under the Right to Financial Privacy Act of 1978, 12 U.S.C. 3401, et seq., RHS is authorized to access my financial records held by financial institutions in connection with the consideration or administration of assistance to me. I also understand that financial records involving my loan and loan application will be available to RHS without further notice or authorization, but will not be disclosed or released by RHS to another Government agency or department or used for another purpose without my consent except as required or permitted by law.

This authorization is valid for the life of the loan.

The recipient of this form may rely on the Government's representation that the loan is still in existence.

The information RHS obtains is only to be used to process my request for a loan or grant, interest credit, payment assistance, or other servicing assistance. I acknowledge that I have received a copy of the Notice to Applicant Regarding Privacy Act Information. I understand that if I have requested interest credit or payment assistance, this authorization to release information will cover any future requests for such assistance and that I will not be renotified of the Privacy Act information unless the Privacy Act information has changed concerning use of such information.

A copy of this authorization may be accepted as an original.

Your prompt reply is appreciated.

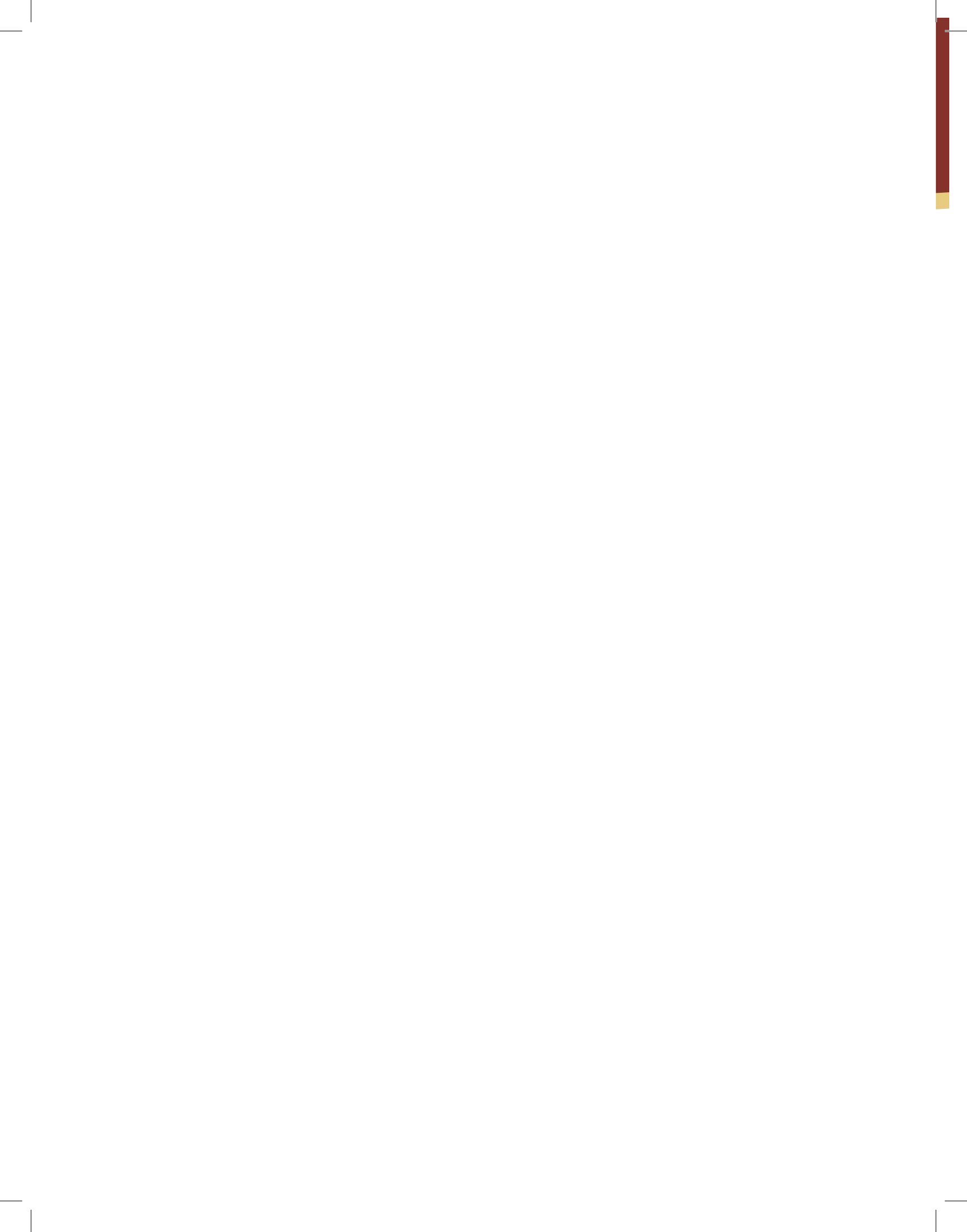
Signature (*Applicant or Adult Household Member*)

Date

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0172. The time required to complete this information collection is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

RHS Is An Equal Opportunity Lender

SEE ATTACHED PRIVACY ACT NOTICE



AFFORDABILITY THROUGH SUBSIDY

Direct Loan

The direct loan program allows for payment assistance (subsidy) that temporarily reduces the effective interest rate paid by the borrower on their home loan (as low as 1% based on income qualifications). The subsidized interest rate allows clients to purchase a home they normally would be unable to afford based on conventional or guaranteed mortgage rates and terms.

Payment Assistance:

1. Enhances applicant's repayment ability for Rural Development Direct Loan;
2. Temporarily lowers borrower's required monthly mortgage payment;
3. Is based on applicant's household income and is reviewed annually.

\$100,000 PURCHASE COMPARISON

	FHA	RD - GRH (effective 10/01/16)	RD - Direct (full note rate)	RD - Direct (full subsidy)
Fee Structure	1.75% Upfront .85% Annual	1% Upfront .35% Annual	\$0	\$0
Term	30 Years	30 Years	33 Years	33 Years
Interest Rate	4%	4%	3%	1%
Down Payment	\$3,500 (3.5%)	\$0	\$0	\$0
Up Front Fee	\$1,688.75	\$1,010.10	\$0	\$0
Principal & Interest Payment	\$468.77	\$482.24	\$398	\$297
Annual Mortgage Insurance	\$68.35	\$29.23	\$0	\$0
TOTAL	\$537.12	\$511.47	\$399	\$297

*TOTAL does not include property taxes or property insurance

**Fee Structures subject to change and are used as an example only

SUBSIDY RECAPTURE

Direct Loan

DO I HAVE TO PAY SUBSIDY BACK?

The borrower signs a subsidy repayment agreement at closing.

A portion of subsidy may be required to be repaid when the property is sold, is no longer occupied by the borrower, or the loan is paid off.

This calculation is based on a determination of value appreciation, taking into consideration original equity, current market value, capital improvements, closing costs, amount of subsidy granted, average interest rate and number of months the loan was outstanding.



EXAMPLE:

- ▶ Subsidy granted \$81.20/mo for 120 months (10 years) = **\$9,744**
- ▶ Home purchase price **\$100,000**
- ▶ Current market value **\$120,000**
- ▶ Capital improvements **\$2,000** (by borrower)
- ▶ Closing costs **\$9,500**

Estimated subsidy recapture to be repaid at the time of sale is **\$4,872**.

Rural Development will determine the amount of subsidy to be repaid at the time of payoff.

GUARANTEED RURAL HOUSING PROGRAM (GRH)

Guaranteed Loan

TRULY A **100% PRODUCT!** NO DOWN PAYMENT REQUIRED

Closing costs and necessary repairs may be rolled into the loan up to the appraised value. There is a one time guarantee fee that can also be financed ABOVE the appraised value. (Check with Rural Development for the current fee in place.)

Higher Housing and Total Debt Ratios with Flexible Credit than with Conventional Loans

Qualifying ratios of 29/41. Ratio waivers may be available. Credit scores of 640 with minimal acceptable trade lines are typically considered as acceptable.

Credit scores below 640 may also be considered with additional documentation. Non-traditional credit histories may also be established.

Rural Development still offers the least out of pocket costs and continues to have an affordable monthly payment!

Why Would a Client not Choose a Rural Development Loan?

- They live in an ineligible area. Ineligible areas include: Dakota City, South Sioux City, Fremont, Grand Island, Hastings, Kearney, Lincoln, North Platte, Omaha (including Elkhorn & Bellevue).
- They make too much money (exceed the moderate income limit).
- They already own adequate housing in the local commuting area.

GUARANTEED RURAL HOUSING PROGRAM

Guaranteed Loan

LOANS UP TO **100%** OF MARKET VALUE — NO DOWN-PAYMENT REQUIRED

- Loans funds may be used for new construction, or to acquire a new or existing dwelling that will be the applicant's principal residence, and to pay costs associated with such a purchase (loan closing costs). Funds may also be used for repairs and rehabilitation when associated with the purchase of an existing dwelling.
- Homes must be located in rural communities. All communities in Nebraska are eligible for housing programs with the *exceptions* of Fremont, Grand Island, Hastings, Kearney, Lincoln, North Platte, Omaha, and South Sioux City/Dakota City. (However some areas such as Gretna, most of Bennington, and Waverly are eligible. Check addresses on eligibility website).
- One time guarantee fee is charged (check with Rural Development for current fee rate). Guarantee fee can be financed above appraised value. There is also an Annual Fee similar to Private Mortgage insurance, but at a much lesser amount (check with Rural Development for current fee rate). This is based on the average annual unpaid principal balance and can be paid to the lender monthly along with the mortgage payment. Although the Annual Fee does reduce as the principal balance is paid down, it does remain in place throughout the life of the loan.
- **Clients work directly with mortgage lenders** of their choice who are approved for participation in the GRH program. *Approved lender list included in this guide.*
- Competitive fixed 30-year interest rates. Rates negotiated with Lender (with a maximum cap).
- GRH program can be used with Nebraska Investment Finance Authority (NIFA) loan products.
- Applicant *not required to be first time home buyer*, however, if using the GRH program in conjunction with NIFA, must also meet NIFA criteria.
- Generous income limits. Cannot exceed moderate income limit for the county. (See next page for income limit table).
- No maximum purchase price limits.
- Homes must meet HUD property standards to insure the property is structurally sound and functionally adequate. Inspections are completed by appraisers or other knowledgeable inspectors.

INCOME LIMITS

Effective 6.15.16

ALL household income must be considered (even if not the applicant or co-applicant) when determining if the family meets the qualifying household income limits. ►

County	1-4 Person	5-8 Person
Omaha MSA		
Cass County		
Douglas County		
Sarpy County		
Washington Co.	\$83,950	\$110,800
Saunders County	\$88,700	\$117,100
Lincoln MSA		
Lancaster County	\$81,650	\$107,800
Seward County	\$90,300	\$119,200
Grand Island MSA		
Hall County		
Hamilton County		
Merrick County	\$75,650	\$99,850
Howard County	\$76,500	\$101,000
Sioux City MSA		
Dakota County		
Dixon County	\$75,750	\$100,000
Adams County	\$77,850	\$102,750
Buffalo County	\$79,150	\$104,500
Butler County	\$78,050	\$103,050
Cheyenne County	\$76,100	\$100,450
Howard County	\$76,500	\$101,000
Kearney County	\$77,500	\$102,300
Lincoln County	\$78,000	\$102,950
Nemaha County	\$76,900	\$101,500
Otoe County	\$77,500	\$102,300
Perkins County	\$77,850	\$102,750
Phelps County	\$77,750	\$102,650
Wayne County	\$78,400	\$103,500
All other counties	\$75,650	\$99,850

GUARANTEED RURAL HOUSING PROGRAM

Guaranteed Loan

Managing the GRH Loan

1. Clients contact a participating approved mortgage lender of their choice.
2. Clients complete the lenders required loan documents. Lender processes and underwrites the loan.
3. Lender orders the appraisal. Lender reviews appraisal for necessary repairs and determines loan amount.
4. Lender submits the underwritten loan package to Rural Development for review. Rural Development issues a conditional commitment to the lender.
5. Lender closes the loan and submits the guarantee fee to Rural Development.
6. Rural Development issues the guarantee to the lender.

Applicant Eligibility Criteria

- Dwelling must be used as a primary residence on a permanent basis and located in an eligible rural community.
- Must have acceptable credit demonstrating timely payment of obligations. Credit scores of 640 or greater are typically considered as acceptable, however credit scores below 640 may also be considered if there are mitigating circumstances. Additionally, *applicants must be unable to obtain conventional credit at reasonable rates and terms.*
- Have repayment for the loan: PITI 29%; Total Debt 41% (higher ratios may be allowed with compensating factors).
- Steady and dependable income.
- Annual income cannot exceed the moderate income limit.

AUTOMATED UNDERWRITING

An automated Guaranteed Underwriting System (GUS) is available to approved lenders specifically for the Guaranteed Rural Housing Program that allows lenders to pre-qualify applicants and process the application with less paperwork and reduced time.



**GRH FINANCED HOME
LAUREL, NEBRASKA**

GRH APPROVED LENDER LIST

Updated 6.22.16

Lender	Address	City	Phone	General Service Area By County
Adams Bank & Trust	121 S. Jeffers PO Box 189	North Platte, NE 69103	308-532-5936	Nationwide
American National Bank	8990 West Dodge Rd.	Omaha, NE 68114	402-399-5016	Nationwide
American Southwest Mortgage Corp.	5900 Mosteller Dr. Suite 10	Oklahoma City, OK 73112-4640	405-848-3600	Nationwide
Bank First	1371 26th Ave. PO Box 908	Columbus, NE 68602-0908	402-563-3550	Statewide
Bank First	100 N. 13th St. PO Box 868	Norfolk, NE 68702-0868	402-371-8005	Statewide
Bank of Nebraska	2806 South 143rd Plaza	Omaha, NE 68144	402-935-5000	Statewide
Bank of the West	13505 California St.	Omaha, NE 68154	402-493-0417	Nationwide
Bankers Trust Company	14301 FNB Pkwy Suite 200	Omaha, NE 68154	402-343-0055	Statewide
BNC National Bank	7007 College Blvd. Suite 303	Overland Park, KS 66211	913-647-7000	Nationwide
Cass County Bank	2020 W. 8th Ave., PO Box 430	Plattsmouth, NE 68048	402-296-3333	Statewide
Castle & Cooke Mortgage, LLC	2735 E. Parleys Way Suite 305	Salt Lake City, UT 84109-1666		Nationwide
Central Nat'l Bank	411 N. National	Superior, NE 68978	402-879-3271	Nationwide
Charter West Nat'l Bank	3100 23rd St.	Columbus, NE 68601	402-564-1200	Nationwide
Charter West Nat'l Bank	710 N. Diers Ave. Suite M, PO Box 5228	Grand Island, NE 68802	308-384-4644	Nationwide
Charter West Nat'l Bank	4511 Second Ave. Suite 207	Kearney, NE 68847	308-234-2220	Nationwide
Charter West Nat'l Bank	207 E. 6th St.	Lexington, NE 68850	308-324-7115	Nationwide
Charter West Nat'l Bank	610 4th St., PO Box 250	Pender, NE 68947	402-385-3200	Nationwide
Charter West Nat'l Bank	201 S. Main PO Box 288	West Point, NE 68788	402-372-5147	Nationwide
Columbus United Federal Credit Union	2472 39th Ave. PO Box 585	Columbus, NE 68602-0585	402-563-4597	Statewide

Lender	Address	City	Phone	General Service Area By County
Cornerstone Bank	529 Lincoln Ave., PO Box 69	York, NE 68467	402-363-7411	Adams, Boone, Buffalo, Butler, Clay, Fillmore, Greeley, Hall, Hamilton, Howard, Kearney, Merrick, Nance, Nuckolls, Platte, Polk, Thayer, Valley, Webster, Wheeler, York
CU Mortgage Direct, LLC	5010 S. Solberg Ave.	Sioux Falls, SD 57108	605-339-2152	Statewide
Elkhorn Valley Bank & Trust	2401 Taylor Ave.	Norfolk, NE 68701	402-371-7670	Antelope, Boone, Cedar, Cuming, Dixon, Knox, Madison, Pierce, Stanton, Wayne
Equitable Bank	113 N. Locust St.	Grand Island, NE 68801	308-382-3136	Statewide
Equitable Savings & Loan Assoc.	221 N. 3rd St., PO Box 1726	Sterling, CO 80751	970-522-6522	Nationwide
Exchange Bank	14 LaBarre St.	Gibbon, NE 68840	308-468-5741	Statewide
Exchange Bank	1204 Allen Dr.	Grand Island, NE 68803	308-382-2900	Statewide
Exchange Bank	3110 2nd Ave.	Kearney, NE 68847	308-237-7711	Statewide
Farmers & Merchants Bank	3015 2nd Ave., PO Box 1930	Kearney, NE 68847	308-698-5243	Statewide
Farmers & Merchants Bank	617 1st St., PO Box E	Milford, NE 68405	402-761-7600	Statewide
First Bank & Trust Co.	747 Meridian, PO Box 7	Cozad, NE 69130	308-784-2515	Chase, Clay, Custer, Dawson, Frontier, Furnas, Lincoln, Phelps, Red Willow
First Dakota National Bank	225 Cedar St., PO Box 156	Yankton, SD 57078-0156	605-665-7432	Nationwide
First Mortgage Co, LLC	6501 N. Broadway, Suite 250	Oklahoma City, OK 73116	800-924-0788	Nationwide
First Mortgage Co, LLC	11606 Nicholas St., PO Box 2158	Omaha, NE 68154	402-493-7600	Nationwide
First Mortgage Co, LLC (Equitable Mortgage of Nebraska)	1569 Washington St.	Blair, NE 68008	402-426-3537	Nationwide

Lender	Address	City	Phone	General Service Area By County
First National Bank of Chadron	202 Main St., PO Box 1351	Chadron, NE 69337	308-432-5552	Statewide
First National Bank of Omaha	1620 Dodge St.	Omaha, NE 68197	402-498-5305	Nationwide
First National Bank of Omaha	1820 23rd St., PO Box 730	Columbus, NE 68601	402-564-1482	Nationwide
First National Bank of Omaha	1500 Market Lane, PO Box 669	Norfolk, NE 68701	402-371-1500	Nationwide
First National Bank of Omaha	2223 2nd Ave.	Kearney, NE 68847	308-234-2424	Nationwide
First Nebraska Bank	3225 23rd St., PO Box 1277	Columbus, NE 68602-1277	402-563-3656	Statewide
First State Bank	5370 S. 72nd St.	Ralston, NE 68127	402-597-0500	Statewide
First State Bank	2002 Broadway, PO Box 1267	Scottsbluff, NE 69361	308-632-4158	Statewide
First State Bank & Trust Co.	1005 E. 23rd St.	Fremont, NE 68025	402-721-2500	Burt, Cuming, Dodge, Douglas, Saunders, Sarpy, Washington
FirstBank of Nebraska	201 E. 25th St., PO Box 68	Wahoo, NE 68066	402-443-4117	Statewide
Five Points Bank	2009 N. Diers Ave.	Grand Island, NE 68803	308-389-8786	Statewide
Five Points Bank	1809 W. 39th St.	Kearney, NE 68845	308-234-6171	Statewide
Flagstar Bank	5151 Corporate Dr.	Troy, MI 48098-2639	248-312-6548	Nationwide
Franklin American Mortgage Co.	6100 Tower Circle, Suite 600	Franklin, TN 37067-1505	615-778-1000	Nationwide
Freedom Mortgage	1400 East Newport Center Dr.	Deerfield Beach, FL 33442	954-422-1254	Nationwide
Frontier Bank	8380 Glynoaks Dr.	Lincoln, NE 68516	402-434-2511	Statewide
Frontier Bank	17002 Marcy, Suite 120	Omaha, NE 68118	402-553-7546	Statewide
Fullerton National Bank	406 Broadway, PO Box 400	Fullerton, NE 68638	308-536-2482	Boone, Merrick, Nance
Great Western Bank	1235 N St.	Lincoln, NE 68501	402-479-0560	Nationwide
Heartland Bank	896 "G" Ave.	Geneva, NE 68361	402-759-3114	Adams, Buffalo, Filmore, Garfield, Valley

Lender	Address	City	Phone	General Service Area By County
Heartland Bank	212 E. 56th St.	Kearney, NE 68848	308-238-0514	Adams, Buffalo, Filmore, Garfield, Valley
Heritage Bank	1101 12th St., PO Box 329	Aurora, NE 68818	308-694-3136	Statewide
Heritage Bank	315 W. 60th St., Suite 100	Kearney, NE 68845	308-698-5000	Statewide
Home Federal Bank	225 S. Main Ave., PO Box 5000	Sioux Falls, SD 57117-5000	605-333-7588	Cedar, Knox
Home Federal Savings & Loan Assn. of Grand Island	221 S. Locust St., PO Box 1009	Grand Island, NE 68802-1009	308-382-4000	Statewide
Home Services Lending	3900 South St.	Lincoln, NE 68506	402-441-3203	Nationwide
Liberty First Credit Union	501 N. 46th St.	Lincoln, NE 68503	402-465-1000	Statewide
Lincoln Federal Savings Bank of Nebraska	1101 N St.	Lincoln, NE 68508	402-474-1400	Statewide
Madison County Bank	2100 Pasewalk Ave., PO Box 2099	Norfolk, NE 68702-2099	402-644-8200	Statewide
McCook National Bank	220 Norris Ave., PO Box 1208	McCook, NE 69001	308-345-4240	Statewide
Midwest Bank, N.A.	606 Main St., PO Box 60	Creighton, NE 68729	402-358-5144	Statewide
Midwest Bank, N.A.	2501 W. Benjamin Ave., PO Box 886	Norfolk, NE 68702-0886	402-371-5200	Statewide
Midwest Bank, N.A.	105 West Elm St., PO Box 545	York, NE 68467	402-362-4491	Statewide
Mortgage Lenders of America, LLC	8400 W. 110th St., Suite 500	Overland Park, KS 66210-2331	913-491-4299	Nationwide
Mortgage Services III, LLC	502 N. Hershey Rd.	Bloomington, IL 61704	309-663-6300	Nationwide
Mortgage Services III, LLC	4520 Madison, Garden Level	Kansas City, MO 64111-3587	816-359-3615	Nationwide
Mutual of Omaha Bank	3333 N. Farnam St.	Omaha, NE 68131	402-351-5118	Nationwide
Pinnacle Bank	320 "G" St., PO Box 28	Central City, NE 68826	308-946-3031	Nationwide
Pinnacle Bank	201 E. 23rd St., PO Box 1585	Columbus, NE 68601	402-562-8936	Nationwide
Pinnacle Bank	7001 S. 27th St.	Lincoln, NE 68512	402-434-3104	Nationwide
Pinnacle Bank	201 E. 2nd St., PO Box 179	Ogallala, NE 69153-2628	308-284-6023	Nationwide

Lender	Address	City	Phone	General Service Area By County
Pinnacle Bank	13131 West Dodge Road	Omaha, NE 68154	402-697-5960	Nationwide
Platte Valley Bank	1212 Circle Drive	Scottsbluff, NE 69361	308-633-9409	Statewide
Primary Residential Mortgage Co.	4750 West Wiley Post Way	Salt Lake City, UT 84123	800-255-2792	Nationwide
Professional Mortgage Services, an Office of Tri-Valley Bank, Randolph, IA	123 S. 8th St., Suite 18, PO Box 190	Nebraska City, NE 68410	402-873-7794	Nationwide
Pulaski Bank	12300 Olive Blvd.	St. Louis, MO 63141	314-579-5147	Nationwide
Regent Financial Group, Inc.	1910 S. 72nd St.	Omaha, NE 68124	402-955-0880	Nationwide
Security State Bank	624 Main St.	Ansley, NE 68814-0400	308-935-1700	Statewide
Sidney Federal Savings & Loan Assoc.	1045 10th Ave., PO Box 73	Sidney, NE 69162	308-254-2401	Cheyenne, Deuel, Kimball
State Bank of Lincoln	508 Broadway, PO Box 529	Lincoln, IL 62656-2706	217-735-5251	Nationwide
Stonegate Mortgage Corporation	9190 Priority Way West Drive, Suite 300	Indianapolis, IN 46240-6426	317-663-5100	Nationwide
The Tri-County Bank	106 N. Main St., PO Box 10	Stuart, NE 68780-0010	402-924-3861	Statewide
Town & Country Bank	6005 2nd Avenue West	Kearney, NE 68847	308-234-6525	Statewide
Town & Country Bank	423 Grand Avenue, PO Box 40	Ravenna, NE 68869	308-452-3225	Statewide
Union Bank & Trust Co.	4243 Pioneer Woods Drive	Lincoln, NE 68506	402-323-1128	Statewide
US Bank Home Mortgage	525 N. 132nd St., 2nd Floor	Omaha, NE 68154	402-963-2272	Nationwide
Washington County Bank	1523 Washington St., PO Box 248	Blair, NE 68008	402-426-2111	Burt, Douglas, Phelps, York, Washington
Wells Fargo Bank, N.A.	111 S. 3rd St., PO Box 99	Norfolk, NE 68701	402-644-2118	Nationwide
Wells Fargo Bank, N.A.	1919 Douglas St.	Omaha, NE 68102-1310	402-536-2443	Nationwide
West Gate Bank	6003 Old Cheney Road, PO Box 82603	Lincoln, NE 68501-2603	402-323-8980	Nationwide

PROPERTY AND SITE REQUIREMENTS

Guaranteed and Direct Loans

EXISTING PROPERTIES: financed by Rural Development must be structurally sound and functionally adequate. Water and septic inspections may be required if the property is served by individual systems. Termite inspections may be required.

GRH Program: Property must meet HUD minimum property standards. Inspections may be completed by certified or licensed appraisers on the HUD appraiser roster or by other certified or licensed appraisers or inspectors who are knowledgeable of HUD guidelines.

Direct Program: Inspections must be made by qualified inspectors for plumbing, heating/cooling, electrical, and structural if necessary, as well as termite. Typically a whole house comprehensive inspection report will be obtained.

GRH Program: Flood certifications to be obtained on all properties. Existing properties in a flood hazard area require flood insurance.

Direct Program: Flood certifications to be obtained on all properties. Existing properties in a flood hazard area require an elevation survey, flood insurance and additional review by Rural Development for acceptance.

GRH Program: Property must be considered residential. Acreages may be loaned on, however, Rural Development typically cannot loan on farm-related property or properties used primarily for agricultural, farming, farm operation, or commercial enterprises.

Appraisals must be completed by licensed or certified appraiser. For the GRH program, the lender is responsible for obtaining a qualified appraiser. For the Direct program, Rural Development will order the appraisal.

MANUFACTURED HOUSING: is housing formerly referred to as mobile homes or trailers. This housing is built in a factory on a non-removable steel chassis and is built to conform to Federal Building Code, called the HUD code, rather than building codes at their destination. Only NEW manufactured homes can be financed. For the Direct program, the manufactured dealer contractor must also be on the Rural Development approved list. The manufactured home must be placed on a permanent foundation. Contact Rural Development for information on current approved manufactured dealer-contractors for the Direct program.

Existing manufactured homes cannot be financed.

NEW CONSTRUCTION (including modular housing): dwelling plans and specifications must be certified by a licensed architect, an engineer or other acceptable code official. Must verify that the planned construction meets the 2006 International Residential Building Code and 2009 International Energy Conservation Code for thermal standards. Minimum construction inspections must be completed: (1) footings while under construction, (2) after the dwelling is framed in and (3) final inspection once all work is completed.

HOMEBUYER EDUCATION

PURCHASING A HOME IS LIKELY ONE OF THE LARGEST INVESTMENTS A BUYER WILL MAKE.

Homebuyer education is an important tool for homeownership success. It helps to ensure that first time buyers are informed and educated about the process and responsibilities of owning a home.

HOMEBUYER EDUCATION REQUIREMENTS FOR RURAL DEVELOPMENT PROGRAMS

Direct Loan Program

REACH Homebuyer Education: The preferred method of providing home buyer education is through face-to-face classroom training. Readiness, Education, Awareness, Collaborative for Homebuyers and Homeowners (REACH) provide face-to-face homebuyer education program delivered through REACH Affiliates. A list of REACH Affiliates and contacts are listed on pages 32-33.

Online Homebuyer Education Courses:

eHome America: An optional online homebuyer education course may be used through eHome America. The website is <http://ehomeamerica.org>.

The courses are available in both English and Spanish and the cost of the course for Rural Development applicants should be no more than \$75. To obtain the discounted fee of \$75, Rural Development applicants should enter the Coupon Code USDA75 on the "Fee Screen" when registering. All of the REACH Affiliates listed on pages 32-33 are also approved to provide homebuyer education through eHome America, with the exception of Credit Advisors Foundation.

An additional online home buyer education course that is available in both English and Spanish is through Framework. The cost is \$75 and can be accessed at the following website: <http://www.frameworkhomeownership.org>. Framework is the second preference and should only be used if all other formats are not reasonably available.

Guaranteed Rural Housing (GRH) Loan Program

For the GRH program, lenders are encouraged to offer or provide home ownership counseling. Lenders may require first-time homebuyers to undergo such counseling if it is readily available. If required by the lender, GRH applicants should discuss with their lender the type of homebuyer education to be completed.

REACH AFFILIATE ORGANIZATIONS FOR CLASSROOM TRAINING — FIRST PREFERENCE

Blue Valley Community Action

P.O. Box 273, Fairbury, NE 68352
(402) 729-2278 | **Fax:** (402) 729-2801
Website: <http://www.bvca.net>
E-Mail: jmcperson@bvca.net
Contact: Jennifer McPherson
Service Area: Butler, Fillmore, Gage, Jefferson, Polk, Saline, Seward, Thayer, York Counties
Cost of Classroom Education: \$35/family

Central Nebraska Housing Developers

P.O. Box 201, Chambers, NE 68725
(402) 340-1006 | **Fax:** (402) 482-5632
E-Mail: Melissa.krysl@cnedd.org
Contact: Melissa Krysl
Service Area: Blain, Boyd, Brown, Cherry, Custer, Garfield, Greeley, Hamilton, Holt, Howard, Keya Paha, Loup, Merrick, Rock, Sherman, Valley, Wheeler Counties
Cost of Classroom Education: \$50/person

Community Action Partnership of Mid-Nebraska

PO Box 2288, Kearney, NE 68847
(308) 865-5675 | **Fax:** (308) 865-5681
Website: www.communityactionmidne.com
E-Mail: jharpst@mnca.net
Contact: Jackie Harpst
Service Area: Adams, Arthur, Buffalo, Chase, Clay, Dawson, Dundy, Franklin, Frontier, Furnas, Gosper, Grant, Harlan, Hayes, Hitchcock, Hooker, Kearney, Keith, Lincoln, Logan, McPherson, Nuckolls, Perkins, Phelps, Red Willow, Thomas, Webster Counties
Cost of Classroom Education: \$50/household

Credit Advisors Foundation

1818 S 72nd St., Omaha, NE 68124
(402) 393-3100 or (402) 514-3340 | **Fax:** (402) 393-7660
Website: www.creditadvisors.org
E-Mail: lisa@creditadvisors.org
Contact: Lisa Cameron
Service Area: State of NE
Cost of Classroom Education: \$125/person or household (one-on-one, face-to-face) for Pre-Purchase Certification (1st Time Homebuyer) or \$200/person or household for classroom homebuyer education.

Dawson Area Development

1501 Plum Creek Parkway, Suite 2B
Lexington, NE 68850
(308) 217-0008 | **Fax:** (308) 324-5505
Website: <http://www.dawsonareadevelopment.com/housing.asp>
E-Mail: sue@dawsonareadevelopment.com
Contact: Suzanne Brodine
Service Area: Dawson County
Cost of Classroom Education: \$125/person

Family Housing Advisory Services

2401 Lake Street
Omaha, NE 68111
(402) 934-1777 | **Fax:** (402) 934-7928
Website: www.fhasinc.org
E-Mail: donna@fhasinc.org or neil@fhasinc.org
Contact: Donna McFadden or Neil Vacek
Service Area: Cass, Douglas, Sarpy, Washington Counties (may provide education in additional areas upon request)
Cost of Classroom Homebuyer Education: \$0 (however, they encourage participants to purchase the training book for \$25)

High Plains CDC

803 E. 3rd Street, Suite 4
Chadron, NE 69337
(308) 432-4346 | **Fax:** (308) 432-4655
Website: www.highplainscdc.com
E-Mail: ritahorse@hotmail.com or stacyhlavacek@yahoo.com
Contact: Rita Horse or Stacy Hlavacek
Service Area: Sioux, Dawes, Morrill, Sheridan, Box Butte Counties
Cost of Classroom Education: \$99

Housing Development Corporation

301S. Burlington Ave.
P.O. Box 1005
Hastings, NE 68902-1005
(402) 461-8407 | **Fax:** (402) 461-4400
E-Mail: mchdc@hastingschamber.com
Contact: Michelle Callahan
Service Area: Adams, Clay, Hall, Nuckolls, Webster Counties
Cost of Classroom Homebuyer Education: \$50/household

Lincoln County CDC

220 North Dewey Street, P.O. Box 1413
North Platte, NE 69103

(308) 534-5095 | **Fax:** (308) 696-0085

E-Mail: lccdo5095@windstream.net

Contact: Nancy Striebel

Service Area: Lincoln County

Cost of Classroom Homebuyer Education: \$0 for Lincoln County residents; \$25 for all others.

Class schedule: Second Saturday of Jan., March, May, July, Sept., & Nov. at North Platte Community College: 601 West State Farm Road, Rm. 124, North Platte, NE.

McCook Economic Development Corporation

402 Norris, Suite 30, McCook, NE 69001

(308) 345-1200 | **Fax:** (308) 345-2152

Website: <http://www.mccookne.org>

E-Mail: mary@mccookne.org

Contact: Mary Kircher

Service Area: Red Willow County

Cost of Classroom Education: \$45/household

NeighborWorks® Lincoln

2240 "Q" St., Lincoln, NE 68503

(402) 477-7181 | **Fax:** (402) 477-7406

Website: <http://www.nwlincoln.org>

E-Mail: billp@nwlincoln.org

Contact: Bill Porn

Service Area: City of Lincoln

Cost of Classroom Education: \$0 to NWL Program participants; \$100 for non-clients

Neighbor Works® Northeast Nebraska

213 South 1st Street, Suite D, Norfolk, NE 68701

(402) 379-3311 | **Fax:** (402) 379-3377

Website: www.nwnen.org

E-Mail: cindym@nwnen.org or rogern@nwnen.org

Contact: Cindy Means or Roger Nadrchal

Service Area: Colfax, Cuming, Madison, Pierce, Platte, Stanton, Wayne Counties

Cost of Classroom Homebuyer Education: \$40

Northeast Housing Initiative (NEHI, Inc.)

P.O. Box 226 Allen, NE 68710

(402) 635-2078 | **Fax:** (402) 635-2079

Website: <http://northeasthousinginitiative.org>

E-Mail: nehi@nntc.net or nehidonna@nntc.net

Contact: Megan Weaver or Donna Roland

Service Area: Antelope, Cedar, Dakota, Dixon, Knox, Pierce Counties

Cost of Classroom Education: \$100/household

Southeast Nebraska Community Action Partnership, Inc.

802 4th Street, P.O. Box 646

Humboldt, NE 68376

(402) 862-2411 x109 | **Fax:** (402) 862-2428

Website: <http://www.senca.org>

E-Mail: Lvickers@senca.org

Contact: Lisa Vickers

Service Area: Cass, Otoe, Johnson, Nemaha, Pawnee, Richardson, Sarpy Counties

Cost of Classroom Education: \$35/household (training book included)

Southwest Nebraska Community Betterment Corp.

P.O. Box 720, Grant, NE 69140

(308) 352-4338 | **Fax:** (308) 352-2683

E-Mail: sencbc@gpcom.net

Contact: Deb Marshall

Service Area: Chase, Hayes, Dundy, Hitchcock, Perkins Counties

Cost of Classroom Education: \$40/household

Three Rivers HDC

410 South 13th St., Tekamah, NE 68061

(402) 374-2056

E-Mail: threerivershdc@qwestoffice.net

Contact: Pamela Thomsen

Service Area: Burt, Cuming, Dodge, Washington Counties

Cost of Classroom Education: \$25

Wayne Community HDC

108 West 3rd Street, Wayne, NE 68787

(402) 375-5266 | **Fax:** (402) 375-2246

Website: [http://city.waynene.org/ Building_Planning_Housing/Wayne_Community_Housing_Development](http://city.waynene.org/Building_Planning_Housing/Wayne_Community_Housing_Development)

E-Mail: wchdc@waynetworks.org

Contact: Megan Weaver

Service Area: Cuming, Thurston, Wayne Counties

Cost of Classroom Education: \$25/household

Western Nebraska Housing Opportunities

1620 Broadway

Scottsbluff, NE 69361

(308) 632-2833 | **Fax:** (308) 633-2854

E-Mail: twincitiesdev@tcdne.org or twincitiesinfo@tcdne.org

Contact: Rawanda Pierce or Melissa Coats

Service Area: Scotts Bluff County

Cost of Classroom Education: \$30/household

(Revision Date July 2016)

504 HOME REPAIR LOANS AND GRANTS

Additional Housing Programs

What does this program do?

The Section 504 Home Repair program provides one percent interest loans to very-low-income homeowners to repair, improve, or modernize their homes. Grants may be available for those very-low-income households of 62 years of age and over that do not have repayment ability for the loans. Grants can be utilized to remove health and safety hazards only.

Who may apply for this program?

To qualify, you must own and occupy the home, be unable to obtain affordable credit elsewhere, have a very low family income (below fifty percent of area median income). For grants, be age 62 or older and not be able to repay a repair loan amortized at 20 years.

How much money can I get?

The maximum outstanding loan is \$20,000. The maximum lifetime grant is \$7,500. Loans and grants can be combined for those 62 and older based on repayment ability.

What are the terms of the loan or grant?

Loans can be repaid/amortized for up to 20 years. Loan interest rate is fixed at 1%. Full title service is required for loans of \$7,500 or more and a mortgage will be placed on the property. Grants have a lifetime maximum of \$7,500. Grants do not have to be repaid if the homeowner remains in the property for a three year period and a grant agreement must be signed at closing.

Is there a deadline to apply?

Loans and grants are available year round as long as funding is available. Home loan applications are processed in the order they are received.

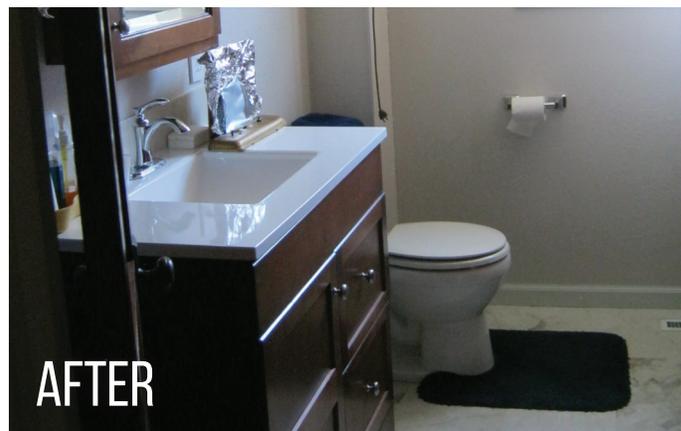
Why does USDA Rural Development do this?

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.

504 Repair Loans and Grants

USDA Rural Development Rural Home Repair loans and/or grants are available to assist eligible, very-low-income homeowners with repair of their homes. Homes must be located in rural areas. All communities in Nebraska are eligible for housing programs with the exceptions of Fremont, Grand Island, Hastings, Kearney, Lincoln, North Platte, Omaha and South Sioux City/Dakota City.

Bathroom Repairs



INCOME LIMITS

Effective 6.15.16

ALL household income must be considered (even if not the applicant or co-applicant) when determining if the family meets the qualifying household income limits. ►

County	1-4 Person	5-8 Person
Omaha MSA		
Cass County		
Douglas County		
Sarpy County		
Washington County	\$36,500	\$48,200
Saunders County	\$38,550	\$50,900
Lincoln MSA		
Lancaster County	\$35,500	\$46,900
Seward County	\$39,250	\$51,850
Grand Island MSA		
Hall County		
Merrick County	\$30,500	\$40,300
Hamilton County	\$32,800	\$43,300
Howard	\$33,250	\$43,900
Sioux City MSA		
Dakota County		
Dixon County	\$31,650	\$41,800
Adams	\$33,850	\$44,700
Buffalo	\$34,400	\$45,450
Burt	\$32,350	\$42,750
Butler	\$33,950	\$44,850
Cheyenne	\$33,100	\$43,700
Colfax	\$31,750	\$41,950
Cuming	\$31,750	\$41,950
Dawes	\$32,000	\$42,250
Fillmore	\$32,100	\$42,400
Frontier	\$30,900	\$40,800
Gage	\$31,550	\$41,650
Hamilton	\$32,800	\$43,300
Holt	\$31,100	\$41,100
Kearney	\$33,700	\$44,500
Keith	\$30,750	\$40,600
Lincoln	\$33,900	\$44,750
Madison	\$31,250	\$41,250
McPherson	\$31,800	\$42,000
Nemaha	\$33,450	\$44,200
Otoe	\$33,700	\$44,500
Perkins	\$33,850	\$44,700
Phelps	\$33,800	\$44,650
Pierce	\$32,400	\$42,800
Platte	\$32,350	\$42,750
Polk	\$32,750	\$43,250
Red Willow	\$31,200	\$41,200
Stanton	\$31,500	\$41,600
Thomas	\$32,500	\$42,900
Wayne	\$34,100	\$45,050
York	\$32,000	\$42,250
All Other Counties	\$30,500	\$40,300

SUCCESS STORIES

Direct Loan

HELPING FAMILIES BUILD THEIR HOMES

Outline of Need

Maribel Bernal and her two children had been living with her parents for a number of years. Maribel wanted an opportunity to create a home for her family. The Norfolk Housing Agency (NHA) directed Maribel to USDA Rural Development in an on-going partnership effort.

How Rural Development Helped

USDA Rural Development was able to work with Maribel to determine her eligibility as an applicant. The City had received funding from the Nebraska Department of Economic Development (DED). These grants, written and administered by the Northeast Nebraska Economic Development District (NENEDD), were available to demolish dilapidated properties within the city limits. Funds were also allowed to be allocated to low-to-moderate income families in the form of construction subsidies and down payment assistance. USDA Rural Development provided **100% financing** through the Rural Housing Direct loan program to help put this family in a newly built home for less than **\$100,000**.



The Results

Without the partnership between USDA Rural Development, the City of Norfolk, DED and NENEDD, Maribel would not have been able to purchase her 1,056 square foot, three bedroom dream home. The partnering generated benefits beyond that of homeownership. This process helped to clean up and revitalize a neighborhood by demolishing a dilapidated property and replacing it with a nice, newly built home constructed by a local contractor. The demolition and building process helped generate local business and employment.

“Being able to own a new home and being part the decision making as to what my home was going to look like was a rewarding experience. I was very fortunate to have the guidance from USDA Rural Development and the Norfolk Housing Agency as they were extremely helpful throughout the entire project. Thanks to USDA I was able make my dream a reality.” - **Maribel Bernal**

EXTEND BEYOND THE TEACHER

Outline of Need

Christopher Urwiller, a second year teacher with the Scottsbluff schools, had been a renter when he learned of an opportunity to purchase his own home. Twin Cities Development (TCD) and Scottsbluff High School (SHS) students were working on a joint project where TCD provided the lot for construction of a new home built by high school students that would soon be completed and ready for sale.



How Rural Development Helped

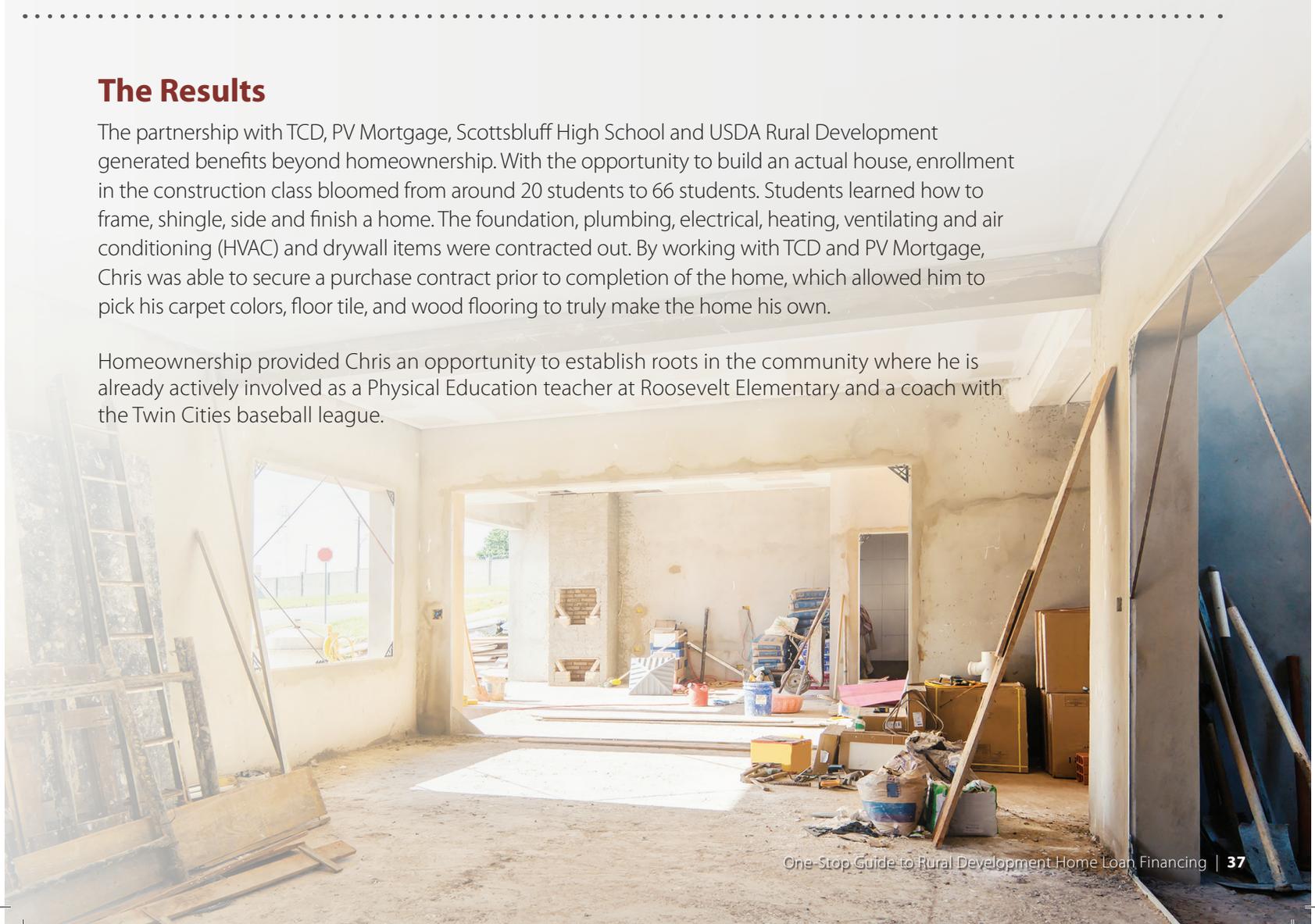
Platte Valley (PV) Mortgage utilized the USDA Rural Development Guaranteed Home Ownership Loan program to assist Chris with the purchase of his first home. The program offered him the opportunity to buy a new home with no down payment and a low fixed interest rate, resulting in an affordable payment.

TCD plans to continue the construction program with the local high school so that students can have a hands-on learning opportunity.

The Results

The partnership with TCD, PV Mortgage, Scottsbluff High School and USDA Rural Development generated benefits beyond homeownership. With the opportunity to build an actual house, enrollment in the construction class bloomed from around 20 students to 66 students. Students learned how to frame, shingle, side and finish a home. The foundation, plumbing, electrical, heating, ventilating and air conditioning (HVAC) and drywall items were contracted out. By working with TCD and PV Mortgage, Chris was able to secure a purchase contract prior to completion of the home, which allowed him to pick his carpet colors, floor tile, and wood flooring to truly make the home his own.

Homeownership provided Chris an opportunity to establish roots in the community where he is already actively involved as a Physical Education teacher at Roosevelt Elementary and a coach with the Twin Cities baseball league.



SINGLE FAMILY HOUSING DIRECTORY

Direct-Centralized Loan Processing Scottsbluff Office

(308) 632-2196
818 Ferdinand Plaza, Suite B
Scottsbluff, NE 69361-4401

Tammy Strey

Single Family Housing Specialist
(308) 632-2196 • Extension 135
tammy.strey@ne.usda.gov

The Scottsbluff Office has established each Monday for “walk-in” customers who do not have a scheduled appointment. For the remainder of the week, please contact the office in advance to schedule an appointment as staff may not always be available.

Debra Suhr

Single Family Housing Loan Assistant
(308) 632-2196 • Extension 136
debra.suhr@ne.usda.gov

Kearney Office

(308) 455-9838
4009 6th Avenue
Kearney, NE 68845-2386

Michael Vukas

Single Family Housing Specialist
michael.vukas@ne.usda.gov

Lincoln Office

(402) 437-5748 or (402) 437-5736
100 Centennial Mall North
Suite 308 Federal Building
Lincoln, NE 68508

Rebecca Adams

Single Family Housing Specialist
rebecca.adams@ne.usda.gov

Jill Divellbess

Single Family Housing Technician
jill.divellbess@ne.usda.gov

Norfolk Office

(402) 371-5350
2601 Lakeridge Drive, Suite 2
Norfolk, NE 68701

Janell Wyant

(402) 371-5350 • Extension 117
Single Family Housing Specialist
janell.wyant@ne.usda.gov

Statewide Centralized FAX: (855) 207-0384

Spanish Speaking Applicants for the DIRECT Program may contact:

Lincoln Office

(402) 437-5748
Rebecca Adams
rebecca.adams@ne.usda.gov

Guaranteed Home Purchase Program

Applicants may contact, and work directly with, the Approved Lender of their choice. See GRH Approved Lender List in this Guide.

GRH REVIEW STAFF:

Kim Reif, SFHS-Scottsbluff, (308) 632-2195 • Extension 133, kimiko.reif@ne.usda.gov

Delbert Virchow, SFHS-Lincoln, (402) 437-5553, delbert.virchow@ne.usda.gov

LNG's - Trudy Henderson, SFHS-Scottsbluff, (308) 632-2195 • Extension 130, trudy.henderson@ne.usda.gov

State Office Housing Staff

Mike Buethe, Rural Housing Program Director, (402) 437-5574, mike.buethe@ne.usda.gov

Krista Mettscher, Senior Single Family Housing Specialist, (402) 437-5518, krista.mettscher@ne.usda.gov

Teresa Brohimer, Single Family housing Specialist, (402) 437-5505, teresa.brohimer@ne.usda.gov





Rural Development

USDA Rural Development is committed to the future of rural communities.



July 2016

USDA is an equal opportunity provider, employer and lender.

