

**PROGRAM:** RD Rural Housing Insured Loan - Section 502

**AGENCY:** USDA Rural Development (RD), Rural Housing Service

**DESCRIPTION:** Program provides loans for very low- and low-income families who are without adequate housing and live in rural areas.

**ELIGIBLE USES:**

- Home acquisition, construction, improvement and relocation. Also the acquisition of adequate building sites, home refinancing, and the purchase of new manufactured homes through an approved dealer/contractor.

**PROGRAM/LOAN STRUCTURE:**

- Term: 30 years
- Rates: The promissory note interest rate is set by the lender.
- Applicants for loans may have an income of up to 115% of the median income for the area.

**QUALIFICATION CRITERIA/COMMENTS:**

- The program assists very low- and low-income families who: are without adequate housing and related facilities and cannot obtain credit from other sources; and will become the owner occupants.
- Housing must be located in rural areas (i.e., any place which is not part of or associated with a non-rural area, is rural in character and has a population not in excess of 10,000, or 25,000 under certain conditions.)
- For more information, visit [http://www.rurdev.usda.gov/rhs/sfh/brief\\_rhguar.htm](http://www.rurdev.usda.gov/rhs/sfh/brief_rhguar.htm) .
- Rural Development Homepage: <http://www.rurdev.usda.gov/rbs/index.html>