

The current economic environment and its impact on the housing market is leading homeowners to repair their homes instead of buying a new one. If residence requires home improvements and if wondering how to get financing, USDA Rural Development can help with low-interest (one percent) loans for those repairs.

“Now is a good time for homeowners to evaluate the need for necessary repairs or replacement of items such as a roof, electrical, plumbing, siding, or to improve energy efficiency through replacement windows and insulation.” said Debra Suhr, area technician for USDA Rural Development. “The replacement of a furnace, sanitary disposal system, modernization of a home or making a home accessible for disabled household members may also be eligible under the program.”

The home loan repair program has a maximum loan amount of \$20,000 and offers a one percent interest rate for up to 20 years.

Loans of less than \$7,500 may not require a mortgage against the property.

The low interest rate and extended terms of the loan make repayment more affordable for households with limited income.

For example, a \$10,000 loan at one percent interest for 20 years would have a monthly payment of \$46, compared to a conventional loan with an interest rate of 4.75 percent for 10 years, with a monthly payment of \$105.

The applicant must own and occupy the home and not exceed income guidelines that are established by county and household size.

For example, for many counties in Nebraska, the income limit for a one person household is \$19,950; two person, \$22,800; three person, \$25,650; four person, \$28,500 and five person, \$30,800.

However, some counties may have higher income limits. Please contact the USDA Rural Development office for the income limits in the county. Applicants must also have an acceptable credit history, show repayment ability and be unable to afford a conventional loan.

These low interest loans are available to homeowners in rural areas. Rural is defined as those communities with a population of 20,000 or less.

“Rural Development has adequate loan funds available under the home repair program and I encourage homeowners to contact me,” said Suhr.

For additional information or to obtain an application, contact Debra Suhr at USDA Rural Development, (308)632-2195 x 1136, 818 Ferdinand Plaza, Suite B, Scottsbluff, NE 69361 or [debra.suhr@ne.usda.gov](mailto:debra.suhr@ne.usda.gov) Visit: [www.rurdev.usda.gov/ne/](http://www.rurdev.usda.gov/ne/).