



United States Department of Agriculture
Rural Development – Illinois
Marion Area Office

For immediate release Contact: Elizabeth Messervey (618-993-5396 ext. 124)

USDA Rural Development Offers Very Low Interest Home Repair Loans

Marion, Illinois, April 29, 2011—Help is available for homeowners who have suffered damages due to the recent severe weather and have limited resources with which to make repairs. USDA Rural Development can make one-percent home repair loans to eligible homeowners with modest incomes.

“We are concerned that homeowners in many southern Illinois counties have had damage to homes as the result of flash flooding,” said Rural Development Area Director Rusty Wanstreet. “As water recedes and the threatening weather passes, we encourage homeowners needing financial help with repairs give us a call.”

Funds can be used for a wide range of problems such as repairing or replacing a leaking roof, installing central heating and air conditioning, replacing windows or siding. Loans can also be used for improvements to plumbing, electrical, flooring, foundation repairs and more.

The maximum loan limit for an individual applicant is \$20,000. Loans have a one percent interest rate are available to cover the cost of eligible repairs. Loans can be repaid over a period of up to 20 years.

A low-cost loan allows the homeowner to make multiple repairs and keeps payments affordable. For example, a loan of \$5,000 over 20 years would cost the homeowner about \$23.00 a month.

Homeowners with very-low income, base of the county in which they live, can apply. For example, a two member household with an adjusted gross income of \$21,850 would be eligible in most of the southern 30 counties that we serve. Applicants must be the owner of the single family dwelling, occupy the home, able to repay the loan and have an acceptable credit history.

Grants may be available to homeowners 62 or older with very low income and without the ability to repay a loan. Grant funds are limited but may be used to remove health and safety hazards or to remodel dwellings to make them accessible to household members with disabilities. Grants have a life-time limit of \$7,500. These grants are often combined with loans to increase the amount available for repairs.

More information about Rural Development’s 504 repair loan program is available by calling the USDA Service Center in Marion at (618) 993-5396, ext 120. Information is also available online at www.rurdev.usda.gov/il.

Rural Development provides financing and technical assistance to foster growth in homeownership, business development, and critical community and technology infrastructure. USDA is an equal opportunity provider, employer and lender.

(Covering 30 southern Illinois counties of Saline, Gallatin, Pope, Hardin, Johnson, Massac, Pulaski, Alexander, Union, Williamson, Jackson, Franklin, Hamilton, White, Perry, Randolph, Monroe, Washington, St. Clair, Clinton, Bond, Madison, Marion, Jefferson, Wayne, Clay, Richland, Lawrence, Edwards, and Wabash).

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USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W.,
Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD)