

USDA Rural Residential Loan Programs

Grey Fox Ridge has been endorsed and approved by USDA

USDA Guaranteed Rural Home Loans

USDA Direct Loans

- Subsidized interest low low income loan – 0 down
- Moderately low income loans with 0 down

Yavapai County is a qualified rural area that USDA loans are available.

It's important to note that the USDA Rural Housing Loan is gaining enormous popularity in *Arizona*. Primarily because it allows home buyers in qualifying areas to purchase a home with absolutely zero down payment and without the added expense of monthly mortgage insurance. In most cases, the USDA Rural Home Loan is the least expensive loan to obtain and to maintain.

Let's look at the Guaranteed USDA Rural Home Loan first. It allows you to buy in a rural designated area and has a higher income limitation than the USDA Direct loan. It allows for applicants to have a Qualifying Income of up to 115% of the area median household income. All of the Guaranteed USDA Rural Home Loans are based on 30 year fixed rate loans that carry similar interest rates to an FHA Home Loan.

USDA Guaranteed Loans

- 0 Down Payment
- No mortgage insurance
- 30 year fixed financing
- Similar interest rates as an FHA Loan
- primary residence

2010 USDA Guaranteed Income Limits

YAVAPAI COUNTY – Cottonwood AZ | Prescott AZ | Sedona AZ | Camp Verde AZ | Chino Valley AZ | Clarkdale AZ | Dewey-Humboldt AZ | Jerome AZ | Prescott Valley AZ | and all surrounding areas
1 to 4 Person Household – \$73,600
5 to 8 Person Household – \$97,150

USDA Guaranteed Loan Limits

none

USDA Guaranteed Loan Criteria

- Debt to Income ratios 29/41
- Credit scores 580+ 660 or higher may receive some debt ratio waiver requests.
- Job History 2 years
- Verification of 3-4 credit references
- Underwriting criteria somewhat flexible on some things with supporting documentation.

Now let's look at the USDA Direct Loan

USDA Direct Loans (low low and low income)

The USDA Direct Mortgage Loan Program is a federal program offered through the United States Department of Agriculture. Rural Housing through the USDA program provides a number of homeownership opportunities to rural Americans. This is an excellent product and benefit for those individuals that qualify. Rural Housing also offers 100% financing opportunities for those who qualify.

Rural Housing loans are now easier to qualify and are a financially secure option for home financing regardless of your situation.

USDA Direct Loan Criteria

TWO TYPES

Low Low subsidized interest loans

- No down payment
- No mortgage insurance
- Loan is direct from the Federal Government
- Subsidized interest – monthly payment reduced as low as 1%
- Closing costs can be financed in the loan
- 33-38 year loans available
- Primary Residence
- In need of housing
- No other home owned
- Job history -2 years
- Assets owned- reasonable under 5000+- for subsidized interest loans
- 2-3 sources of credit reference
- Credit score – somewhat flexible around 650

After your ownership- rules apply – for subsidized interest loans

- Annual review of income/adjusts monthly payment
- Loan payment flexible with changing income
- Upon sale of your home, re-payment program - the interest that USDA pays for you is paid back upon sale of the home.
- During ownership health issues and loss of job during ownership – work out options.

Interim Financing (under construction)

- New construction Interim financing available up to 60% of construction cost
- low interest rate.
- Can be financed into the permanent financing.

USDA Direct Income Limits

Very Low income limits. This is a subsidized interest program – the interest rate can be as low as 1% and is assessed annually and adjusted to your income. **The charts below are determined on the number of qualifying people in your household.**

Very Low Income Limits

1 persons	2 Persons	3 Persons	4 Person	5 Persons	6 Persons	
18850	21500	24200	26900	29050	31200	
7 persons	8 persons					
33350	35500					

Low Income Limits

2 persons	3 persons	4 persons	5 persons	6 persons	7 persons	1 person
34450	38750	43050	46500	49950	53400	30150
8 persons						
56850						
MODERATE INCOME LIMITS						
1 person	2 persons	3 persons	4 persons	5 persons	6 persons	7 persons
35650	39950	44250	48550	52000	55450	58900
8 persons						
62350						

The web site below figures your income and eligible deductible expenses and gives you an income limit to qualify.

<http://eligibility.sc.egov.usda.gov/eligibility/incomeEligibilityAction.do>

USDA Direct Loan Limits

- **\$200,500.** Yavapai County – Yearly USDA has new allotments of funds.

Get started qualifying

- Fill out an application
- Authorization to release information to lender form

Visit their web site

http://www.rurdev.usda.gov/rhs/sfh/brief_rhdirect.htm

You may call us

We will provide you with the application and authorization to release information and refer you to the lender that does these loans. We would be happy to sit down and talk about your qualifying criteria and individual situations and how you may fit into these programs best.

928-254-0525

Esther Talbert, Broker

YAVAPAI REALTY, LLC

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Or, if you have an exclusive agent representing you talk to them about these programs – we would be happy to talk with them for you.

Disclosure – this information was taken from sources deemed reliable and the Federal Government agencies, however the programs can change and loan programs adjust – you will want to talk to the lender direct about your qualifying criteria.