

Help for Homeless Veterans
877-4AID-VET
va.gov/homeless | (877) 424-3838



ENDING VETERAN HOMELESSNESS

Nicola, formerly homeless Veteran
Served 1980–1987

Jim, formerly homeless Veteran
Served 2004–2011

Bobby, formerly homeless Veteran
Served 1979–1984

Rural Housing Programs

Today about 6.1 million Veterans—28 percent of all Veterans—live in rural areas. It is estimated that roughly 15 percent of the homeless population lives in rural or mostly rural areas, and a portion of these individuals are Veterans. Although the U.S. Departments of Veterans Affairs and Housing and Urban Development offer housing and supportive services to Veterans in all areas, the U.S. Department of Agriculture (USDA) Rural Housing Service operates several programs that could help rural Veterans who are homeless or at risk of becoming homeless secure a permanent home.

The loan and grant programs described below—referred to by their applicable section in the Housing Act of 1949—are for very low-, low-, and moderate-income rural residents. Though not exclusively for Veterans, former Service members who meet the program criteria can participate, regardless of whether they qualify for VA benefits and services.

SECTION 502 RURAL HOUSING DIRECT AND GUARANTEED LOANS

This program offers two types of home loans to low- and moderate-income borrowers in rural areas: direct loans and guaranteed loans. To qualify for either type, applicants must:

- Lack sufficient housing, but be able to afford mortgage payments.
- Be unable to secure credit outside of the program, but have reasonable credit histories.
- Choose homes that are modest and meet local building standards.

Here are specific criteria for each type of Section 502 loan:

Direct Loans. These loans may be used by low-income and very low-income individuals to buy, build, improve, or repair homes in rural areas. Borrowers earn an average of \$28,052, with some in the very low-income bracket earning \$21,589 per year.

Qualifying rural homes and available interest rates and loan terms are determined on a case-by-case basis. With the payment assistance subsidy, mortgage payments typically end up being no more than 24 percent of a borrower's income. No down payment is required.

More Information: www.rurdev.usda.gov/HAD-Direct_Housing_Loans.html

Guaranteed Loans. These loans assist low- and moderate-income rural households, with incomes up to 115 percent of area median income, who want to build or purchase a home. These 30-year fixed-rate loans do not require down payments, although borrowers must use an approved lender and demonstrate a willingness and ability to repay the loan.

More Information: www.rurdev.usda.gov/HAD-Guaranteed_Housing_Loans.html

VA



U.S. Department
of Veterans Affairs

SECTION 504 RURAL HOUSING REPAIR AND REHABILITATION

Very low-income homeowners who are 62 or older, including Veterans, can access the following grants or loans—or a combination of both—to renovate their homes or to remove specific health and safety hazards:

- **Section 504 Grants.** The grant program offers up to \$7,500 to homeowners who cannot afford a loan for the repairs. Grants can be used for home repairs and must be repaid if the home is sold within three years.
- **Section 504 Loans.** Twenty-year loans of up to \$20,000—fixed at 1 percent interest—are also available to qualifying borrowers.

Some applicants may qualify for a combined grant and loan payment of \$27,500, which can be used for home renovations.

More Information: www.rurdev.usda.gov/HAD-RR_Loans_Grants.html

SECTION 533 HOUSING PRESERVATION GRANT

These grants are used to repair or rehabilitate deteriorating homes and rental housing for low-income and very low-income rural residents. Funding is awarded to nonprofits, state and local governments, and Native American tribes to conduct the renovations. Assistance is also available to rental property owners to repair and rehabilitate their units for very low- and low-income tenants.

More Information: www.rurdev.usda.gov/HAD-HPG_Grants.html

For more information about USDA's rural housing programs, visit www.rurdev.usda.gov/LP_Subject_HousingAndCommunityAssistance.html.

File applications through your local USDA Service Center by visiting offices.sc.egov.usda.gov/locator/app or by calling 800-670-6553.

Refer to VA for Help

If a Veteran you know is homeless, at imminent risk of becoming homeless, or in crisis, refer him or her to VA. Make the Call to **877-4AID-VET (877-424-3838)** or chat online at va.gov/homeless. Trained, supportive professionals are available 24 hours a day, seven days a week, to connect Veterans with the care they need to get back on their feet.

VA



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