USDA 502 Direct Fact Sheet

- **What does the program do?**
  - The program assists low- and very-low-income applicants obtain decent, safe and affordable housing in eligible rural areas by providing assistance to increase repayment ability.

- **How do I know my area is eligible?**
  - Visit the [USDA Income and Property Eligibility](#) website.

- **Who may apply for this program?**
  - Applicants interested in obtaining a direct loan must have an adjusted income that is at or below the applicable low-income limit for the area where they wish to buy a house and must demonstrate a willingness and ability to repay debt.

- **What qualifies me for the program?**
  - Agree to occupy the property as your primary residence
  - Have the legal capacity to incur a loan obligation
  - Meet citizenship or eligible noncitizen requirements
  - Not be suspended or debarred from participation in federal programs

- **What kind of home can I buy with a Direct Loan?**
  - Generally be 1,800 square feet or less
  - Not have market value in excess of the applicable area loan limit
  - Not have in-ground swimming pools
  - Not designed for income producing activities

- **How may the Direct Funds be used?**
  - Loan funds may be used to help purchase homes in rural areas.

- **How much can I borrow?**
  - The maximum loan amount an applicant may qualify for will depend on repayment ability and the [Area Loan Limits](#) for the county in which the property is located.

- **What is the interest rate and payback period?**
  - Fixed interest rate based on current market rates at loan approval and income
  - 33-38 year payback period
  - Interest rate, when modified by payment assistance, can be as low as 1%

- **How much down payment is required?**
  - No down payment is typically required. Applicants with assets higher than the asset limits may be required to use a portion of those assets as a down payment.

- **How long does the process take?**
  - Processing times vary depending on funding availability and program demand

- **How do I apply?**
  - Wyoming applicants, please call 303-428-1448 or Toll Free 800.566.1252 and speak with Diane Goodnight or Elida Rubio.
  - Applications are accepted year round, there is no deadline to apply.