



Rural Development

April 27, 2021

Office of the  
State Director

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**USDA Rural Development Program Notice:**

We are pleased to advise that the Tennessee USDA Rural Development Home Repair program has recently received our full allocation of home repair funds for 2021. This program is a valuable resource to many rural homeowners. With our 2021 funding, we have sufficient funding available for **grant funds** for income eligible homeowners who are age 62 and older residing in rural areas.

Attached to this notice is a program fact sheet containing information that we are asking you to share with your employees and other Agencies that you work with. You may have clients or other local contacts that may benefit from our Home Repair program. Our goal in Tennessee is to help as many people as possible residing in our rural areas to have safe and decent homes. There is a great need for our rural homeowners to have access to these grant funds.

Again, USDA Rural Development appreciates your support of the program and the assistance that you can provide to others to help improve their home living conditions by sharing the attached program information.

The following is the contact information for the Area Offices in Tennessee that can assist with the application and eligibility determination. They can provide additional information on the program and send out applications to anyone interested in receiving assistance.

USDA Offices	Email	USDA Contact Name
East Tennessee Knoxville & Greenville	Marisol.torres@usda.gov	Marisol Torres Area Director
Middle/East Tennessee Cookeville & Chattanooga	Stephen.sargent@usda.gov	Stephen Sargent Area Director
Middle Tennessee Lawrenceburg & Nashville	Faye.mcewen@usda.gov	Faye McEwen Area Director
West Tennessee Jackson & Union City	Joel.howard@usda.gov	Joel Howard Area Director

Thank you for forwarding this information and for any referrals that you can make to individuals and homeowners that you come into contact to benefit from this grant program for repairs.

Please feel free to contact me if you have any questions on this Federal Grant Program. We will keep diligently working to help our rural communities thrive across Tennessee.

Sincerely,

Don Harris  
Housing Program Director

Attachment

# Single Family Housing Repair Loans & Grants

## What does this program do?

**Also known as the Section 504 Home Repair program, this provides loans to very-low-income homeowners to repair, improve, or modernize their homes or provides grants to elderly very-low-income homeowners to remove health and safety hazards.**

## Who may apply for this program?

To qualify, you must:

- **Be the homeowner and occupy the house**
- **Be unable to obtain affordable credit elsewhere**
- **Have a family income below 50 percent of the area median income**
- **For grants, be age 62 or older and not be able to repay a repair loan**

### What is an eligible area?

Generally, rural areas with a population less than 35,000 are eligible. Applicants may check the address of their home to determine eligibility online.

### How may funds be used?

- Loans may be used to repair, improve, or modernize homes or to remove health and safety hazards.
- Grants must be used to remove health and safety hazards.

### How much money can I get?

- Maximum loan is \$20,000.
- Maximum grant is \$7,500.
- Loans and grants can be combined for up to \$27,500 in assistance.

### What are the terms of the loan or grant?

- Loans can be repaid over 20 years.
- Loan interest rate is fixed at 1%.
- Full title service is required for loans of \$7,500 or more.
- Grants have a lifetime limit of \$7,500.
- Grants must be repaid if the property is sold in less than 3 years.

- If applicants can repay part, but not all of the costs, applicants may be offered a loan and grant combination.

### Is there a deadline to apply?

Applications are available year round as long as funding is available and are processed in the order they are received.

### How long does an application take?

Approval times depend on funding availability in your area. Talk to a USDA home loan specialist in your area for help with the application.

### How do I get started?

Contact a USDA home loan specialist in your area.

### What governs this program?

- The Housing Act of 1949 as amended, 7 CFR, Part 3550
- HB-1-3550 - Direct Single Family Housing Loans and Grants Field Office Handbook

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**NOTE: Because citations and other information may be subject to change, please always consult the program instructions listed in the section above titled "What Governs This Program?" You may also contact your local office for assistance. You will find additional forms, resources, and program information at [rd.usda.gov](http://rd.usda.gov). USDA is an equal opportunity provider, employer, and lender.**