

USDA Kicks Off Homeownership Month by Highlighting Habitat for Humanity Partnerships



State Office Specialist Kerry Crowley and Single Family Housing Program Director Jeanie Barbow (second and third from the right) participate in an April groundbreaking ceremony for a Caroline County Habitat for Humanity mutual self-help grant project (courtesy photo).

RICHMOND, Va., June 5, 2023 – U.S. Department of Agriculture (USDA) Rural Development is kicking off [National Homeownership Month](#) in Virginia by highlighting its outstanding Habitat for Humanity partners who go the extra mile to help connect people with programs that can help them buy, build or repair affordable residences.

“Homes are places where we can watch our families grow and stay connected to our communities,” said Perry Hickman, USDA Rural Development Virginia State Director. “USDA Rural Development is working with lenders and community partners to open doors that have been closed for far too long and make our programs more accessible for people of all backgrounds and experiences.”

From ground leases in Northern Virginia to self-help projects in Caroline County, these dedicated affiliates are teaming up with Rural Development loan specialists to break down barriers to achieving this basic American dream and building generational wealth. Blue Ridge and Piedmont Habitat for Humanity have also developed a special relationship with USDA as certified loan packagers. Highlights of these collaborations are provided below:

Ground Leases. This model helps to increase existing supplies of lower-priced houses by enabling a purchaser to buy the structure while a trust retains ownership of the land and leases it to the homeowner. The buyer retains full rights and can sell it at any time. Virginia RD worked with Fauquier Habitat for Humanity to close the state’s first USDA loan structured around this model on Sept. 1, 2022. [Learn more about this innovative approach.](#)

Mutual Self-Help Housing Grant Program. Qualified organizations can obtain funding to help them carry out local construction projects in which groups of four to six or more families contribute "sweat equity" labor to cover the down payment on a mortgage funded through a USDA Section 502 Direct loan. Caroline Habitat for Humanity just broke ground on a new grant project in April, which will enable the nonprofit to build 12 affordable houses over the next two years.

Certified Loan Packagers. These partners have a special relationship with USDA and are specially trained to perform this service for prospective borrowers. Packagers must pass a rigorous certification exam to ensure they have a foundational knowledge of the agency's products and are able to walk customers through the repair or purchase process. [Learn about Piedmont Habitat's latest collaboration with RD](#) to put four new borrowers into new modular houses on adjacent lots.

Virginians can get assistance through these offerings to build, purchase or repair homes in rural areas throughout the state:

- [Single Family Housing Direct Home Loan Program](#) – Partnering with loan packagers has increased the reach of this program, opening affordable ownership options to approximately **8,953 families and individuals** nationwide over the past five and a half years.
- [Single Family Housing Guaranteed Loan Program](#) – This program has experienced exponential growth since the agency first collaborated with private lenders to back loans for rural residents in 1991 (more than a 100-fold increase in the average number of loans).
- [Home Repair Loan and Grant Program](#) – Nearly **450,000 families** across the nation have received funding to help make accessibility improvements; remove health and safety hazards; repair damaged roofs, electrical and plumbing systems; and make dwellings more energy efficient.

USDA Rural Development is also working to increase access to affordable multifamily rental housing opportunities in rural Virginia, providing more than \$50 million in funding through [Multifamily Housing](#) loan guarantees, grants and rental subsidies in fiscal year 2022. USDA rental assistance ensures low-income and elderly tenants pay no more than **30 percent** of their income in housing costs.

Since 1949, USDA's Single Family Housing Programs have helped nearly **5 million families and individuals** achieve the dream of homeownership. Virginia RD obligated approximately **\$650 million** in grants and guaranteed and direct loans to help more than **3,100** moderate, low- and very-low-income families buy decent, safe and sanitary housing in fiscal year 2022 alone. We're currently in the top 10 states for Single Family Housing Program delivery with more than **\$200 million** in obligations for over **1,000 borrowers** in 2023. Visit the [Single Family Housing program](#) webpage or contact our [Rural Development State Office](#) in Richmond, Va., to learn more about programs available to you.

Under the Biden-Harris Administration, Rural Development provides loans and grants to help expand economic opportunities, create jobs and improve the quality of life for millions of Americans in rural areas. This assistance supports infrastructure improvements; business development; housing; community facilities such as schools, public safety and health care; and high-speed internet access in rural, Tribal and high-poverty areas. For more information, visit www.rd.usda.gov.