

NORTHEAST SOUTH DAKOTA COMMUNITY ACTION PROGRAM
NORTHEAST SOUTH DAKOTA ECONOMIC CORPORATION
GROW SOUTH DAKOTA

104 Ash Street East, Sisseton, South Dakota 57262-1908
Phone: (605) 698-7654 Fax (605) 698-3038

HOUSING FINANCING OPTIONS:

PURCHASE:

1. ***Direct Housing Loans-** Direct lending funds available for the purchase of primary residence. Terms, rate and/or amount is dependent on funding availability. Homebuyer education class required from NESDCAP.
2. ***CD Pledge-** A Certificate of Deposit (CD) is purchased in a participating lending institution that can be pledged as collateral. It acts as a guarantee for a housing loan for the primary residence. The CD amount can be 20% of the loan up to \$20,000 maximum. No income guidelines. May be used in conjunction with mobile homes not on a permanent foundation.
3. ***Housing Partnership Loans-** Partners with lending institutions or USDA Rural Development to offer a blended interest rate loan. NESDCAP is placed in the first mortgage position or has a shared first position along with the lender. Terms, rate and/or amount is dependent on funding availability.
4. ***Down Payment/Closing Cost Assistance Program-** A \$1,000, 0% deferred mortgage for eligible applicants to utilize when purchasing their primary residence. Term will follow primary lender's term. Homebuyer education class required from NESDCAP.
5. *** Home Improvement Loan in conjunction with Purchase:** (Loans are not eligible for cosmetic type repairs and are subject to NESDCAP inspections and approval.)
 - a. **USDA RD 502 Direct Loans-** Up to \$10,000, 0% deferred loan, term will follow USDA term. Income guidelines for very low & low income residents. A mortgage is placed on the home in the amount of the work completed.
 - b. **Reliable Financial Institution-** Up to \$10,000, 1% loan, 5-10 year term. Income guideline – 100% AMI (Hughes County). A mortgage is placed on the home in the amount of the work completed.

Home Improvement:

6. *** Home Improvement Loan-** Home improvements for applicant's primary residence. Loans are not eligible for cosmetic type repairs and are subject to NESDCAP inspections and approval. Terms of the loan will be 5-10 years, depending on affordability to the household. A mortgage is placed on the home for the loan amount.
7. *** Federal Home Loan Bank (FHLB) –** Home Improvement generally focuses on one major home repair for primary residence. The loan is forgivable at 1/60 each month for five years. Income and retention guidelines apply.

OTHER HOUSING RELATED PROGRAMS:

8. **The Governor's House-** The Governor's House program provides reasonably sized, affordable homes to income and asset qualified households. This low maintenance, energy efficient home is designed to provide ownership opportunities where income levels may have prevented homeownership.
9. **Homebuyer Education Class-** Individual or group classes are provided that will educate the potential buyer on managing their money, determining if they are ready to be a homeowner, understanding credit, mortgage terms and the overall loan process, and ways to improve your home. NESDCAP is a HERO and HUD approved counseling entity.

**Funding dependent on availability*

General Disclaimer- All programs have various eligibility, income or funding requirements. Rates and terms subject to change. All applicants must meet eligibility criteria (credit history, repayment ability, etc.)

Contact NESDCAP for more information.

