

Alaska Housing Finance offers rural loan programs

by Margaret Nelson
Alaska Housing Finance Corp.

If you're interested in buying a home, fixing one up or perhaps invested in some rental property, the Alaska Housing Finance Corporation (AHFC) may be able to provide the financing you need.

AHFC's Rural Housing Division offers three loan programs to borrowers in rural Alaska: The Rural Owner-Occupied Loan Program, the Rural Non-owner-Occupied Loan Program and the Housing Rehabilitation Program.

And, AHFC's interest rates have never been lower. At November 1, rates were 6.25 percent for the Owner-Occupied and

Housing Rehabilitation Program and 7.750 percent for the Non-owner-Occupied Program. However, keep in mind that interest rates are subject to change without notice. Interested borrowers can contact lenders or AHFC for the current interest rate.

Borrowers must "qualify" for these programs. To qualify, borrowers must demonstrate that they have enough income to afford the home or rental property they want to buy. For more information on how to determine what you can afford, contact AHFC for the brochure titled "The Home Buying Process." The brochure is designed to help borrowers understand the process involved in buying and

financing a home.

The following is a brief summary of the rural housing programs:

Rural Owner-Occupied Program. Under this program, eligible borrowers may receive up to \$235,000 for the purchase or construction of a single-family home, or \$255,650 for a duplex.

Other loan features are as follows: The maximum loan term is 30 years. For new construction, AHFC will finance the lesser of 100 percent of the allowable construction costs, or 85 percent of appraised value. For the purchase of existing housing, AHFC will finance the lesser of 90 percent of the sales price, or 90 percent of

appraised value.

Housing Rehabilitation Program. Under this program, AHFC provides financing or improvements to existing homes.

The specifics of the program are as follows: The maximum loan term is 30 years. For the first deed of trust, AHFC may finance 100 percent of allowable construction costs plus any existing liens on the property. But the amount financed must be the lesser of 90 percent of appraised value or \$235,000 for single-family homes or \$255,650 for duplexes. For a second deed of trust, AHFC may finance up to \$45,000. The maximum term for the second is 15 years.

Rural Non-owner-Occupied Loan Program. This program provides financing to qualified borrowers for construction, purchase or rehabilitation of non-owner-occupied rental housing units. The project may be up to eight units in a single community or area.

AHFC will only loan up to \$1.25 million. The loan must not

exceed the lesser of 80 percent of appraised value or 80 percent of the purchase price. The borrower may not reside in the housing being financed.

Low-Income Programs. AHFC has programs to assist low-income borrowers in obtaining housing. Check with the lender in your area or AHFC for the specifics of the low-income programs.

How To Apply. Persons interested in these programs, or any other aspect of AHFC, can obtain information from any AHFC approved lender or any AHFC office.

AHFC's rural housing offices are as follows: Kotzebue: NW Arctic Borough Building, 442-3675; Nome: Catherine Dickson, 443-2655; Bethel: Linda Stanton, BNC Complex, 543-3864; Dillingham: Grant Shimanek, Choggiung Building, 842-2245; Fairbanks: Lucy Carlo, 1246 Log Cabin Ct., 452-2921; and Juneau: Harold Grubb, 465-5536.

Or, you can contact AHFC toll-free at 800-478-4585.