

head>

United States Department of Agriculture
Rural Development

Date: [Insert Date]

To: [Applicant Name(s)]

Address: [Applicant Current Address]

Subject: Pre-Approval for Section 502 Direct Rural Housing Loan

Dear [Applicant Name],

Based on a preliminary review of your application and credit information, you have been pre-approved for a Section 502 Direct Single Family Housing Loan. This pre-approval is intended to assist you in your search for a modest, decent, safe, and sanitary home in an eligible rural area.

Estimated Loan Terms:

- Maximum Loan Amount: \$[Insert Amount]
- Interest Rate: [Insert Rate]% (Subject to change based on market rates and payment assistance eligibility)
- Loan Term: [33 or 38] years
- Required Down Payment: \$[Insert Amount or "None"]

Conditions of Pre-Approval:

1. The property must be located in a USDA-eligible rural area.
2. The property must meet USDA thermal and structural standards.
3. Verification of continued income and employment stability.
4. Final underwriting approval and availability of federal funding.
5. Satisfactory appraisal and title insurance.

This letter is not a final commitment for a loan. This pre-approval is valid until [Insert Expiration Date]. Please provide a signed purchase agreement to this office once you have selected a property.

Sincerely,

[Name of Specialist]

Housing Program Specialist

[USDA Service Center Office Name]