

## **Home Buyers Education Leads To Home Ownership**

**Outline Of Need:** Boe and Amanda Buchholz decided they wanted to buy a home. They went to their local bank to find out how much of a loan they could afford. The lender advised them to take home buyer education classes.

The Buchholzs signed up for NeighborWorks Dakota Home Resources [formerly known as Neighborhood Housing Services (NHS) of the Black Hills] Home Buyer Education classes where they learned about getting ready for home ownership and other topics such as different types of loans, credit requirements, repayment ratios, budgeting, insurance, and home owner responsibilities. NeighborWorks also recommended the couple contact USDA Rural Development on their direct rural housing 502 loan program.

**How Rural Development Helped:** The couple contacted the local Rural Development Office and filled out an application for the direct rural housing 502 loan program. Rural Development processed the application and determined they were eligible for the loan program. USDA Rural Development issued them a certificate of eligibility.

The Buchholzs reviewed all of their options and decided to have a house built. They provided plans and specifications to Rural Development as well as the proposed site location on an affordable lot in a new subdivision outside of Spearfish, South Dakota. Rural Development reviewed the information and approved a construction loan. The loan was closed and the construction of the house was started.

**The Results:** “We are excited to watch our home being built,” said Amanda Buchholz. “We get to choose the type of floor covering, cabinets, and color of siding. In addition, the house will have a front porch and a nice yard for our daughter to play.”

“The loan process was easier than we expected and the local Rural Development staff was very helpful in assisting us through the process. We’re glad that we signed up for home buyer education classes,” said Boe Buchholz.

“Owning a home helps families build economic security through an asset that can be passed on to the next generation. It builds pride in the community and is an important part of the American way of life,” said USDA Rural Development State Director Jafar Karim. “At Rural Development we are committed to helping as many people as possible achieve the American Dream of owning their own home.”

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**Pictured at right is the Buchholz family standing in front of the house under construction.**

