



504 PROGRAM SUMMARY

LOAN AMOUNT, FEES, TERMS, PURPOSES

Maximum Amounts	<ul style="list-style-type: none"> • \$20,000—maximum amount of outstanding loan balance at any time • \$7,500—maximum amount of lifetime grant assistance • Both loans and grants are limited by applicant's repayment ability • Loan and grant combinations are encouraged
Terms	<ul style="list-style-type: none"> • 20 year term for loans • Grants do not have to be repaid unless property is sold within 3 years of grant approval
Interest Rate	<ul style="list-style-type: none"> • Loans—1% fixed interest at closing • No interest charged on grants
Purposes	<ul style="list-style-type: none"> • Grants must be used to remove health and safety hazards • Loan funds can be used to repair, improve or modernize borrower's residence

APPLICANT GUIDELINES*

Credit	<ul style="list-style-type: none"> • For grants, credit is not evaluated, however, applicant is ineligible if they have an outstanding judgment in US federal court (except tax court) • No minimum credit score required by Rural Development. • Non-traditional credit is allowed for applicants with less than two scores <ul style="list-style-type: none"> – 3 sources are required (utilities, rent, insurance, etc.) • Some instances of unacceptable credit <ul style="list-style-type: none"> – Late payments – Collections – Judgements – Bankruptcy w/in past 3 years • Credit waivers are possible
Age Requirement	<ul style="list-style-type: none"> • For grants, applicant must be 62 years of age or older • For loans, applicant must be 18 years of age or older
Employment	<ul style="list-style-type: none"> • No minimum history requirement. Income must be considered stable and dependable.

PROPERTY GUIDELINES*

Property	<ul style="list-style-type: none"> • Must be in a rural area; typically, less than 20,000 population • Must be owned and occupied by applicant • Must be modest <ul style="list-style-type: none"> – Area Loan Limits apply (all counties are at \$220,532 or higher) – No income producing property
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* Refer to the following resources for additional program requirements.

HB-1-3550	http://www.rd.usda.gov/publications/regulations-guidelines/handbooks
Income & Property Eligibility	http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do
WI RD Staff	920-266-4683 or RD.fonddulac@wi.usda.gov www.rd.usda.gov/wi