



United States Department of Agriculture

Rural Development • Rural Housing Service

Single Family Housing Repair Loans & Grants

What does this program do?

Also known as the Section 504 Home Repair program, this provides loans to very-low-income homeowners to repair, improve, or modernize their homes or provides grants to elderly very-low-income homeowners to remove health and safety hazards.

Who may apply for this program?

To qualify, you must:

- Be the homeowner and occupy the house
- Be unable to obtain affordable credit elsewhere
- Have a family income below 50 percent of the area median income
- For grants, be age 62 or older and not be able to repay a repair loan

What is an eligible area?

Applicants may check the address of their home to determine eligibility online.

How may funds be used?

- Loans may be used to repair, improve, or modernize homes or to remove health and safety hazards.
- Grants must be used to remove health and safety hazards.

How much money can I get?

- Maximum loan is \$20,000.
- Maximum grant is \$7,500.
- Loans and grants can be combined for up to \$27,500 in assistance.

What are the terms of the loan or grant?

- Loans can be repaid over 20 years.
- Loan interest rate is fixed at 1%.

- Full title service is required for loans of \$7,500 or more.
- Grants have a lifetime limit of \$7,500.
- Grants must be repaid if the property is sold in less than 3 years.
- If applicants can repay part, but not all of the costs, applicants may be offered a loan and grant combination.

Is there a deadline to apply?

- Home loans are available year round as long as funding is available.
- Home loan applications are processed in the order they are received.

How long does an application take?

Approval times depend on funding availability in your area. Talk to a USDA home loan specialist in your area for help with the application.

Who can answer questions, and how do I get started?

Contact a USDA home loan specialist in your area.

What governs this program?

- The Housing Act of 1949 as amended, 7 CFR Part 3550
- HB-1-3550 - Direct Single Family Housing Loans and Grants Field Office Handbook

Why does USDA Rural Development do this?

Helping people stay in their own home and keep it in good repair helps families and their communities. Homeownership helps families and individuals build savings over time. It strengthens communities and helps many kinds of businesses that support the local economy.

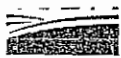
NOTE: Because citations and other information may be subject to change please always consult the program instructions listed in the section above titled "What Law Governs this Program?" You may also contact your local office for assistance.

You will find additional forms, resources, and program information at www.rd.usda.gov



Rural Development Offices in Montana

State Headquarters, Bozeman: (406) 585-2580 - Phone (855) 576-2674 - Fax2Mail
 Bozeman Area Office: (406) 585-2530 - Phone (855) 576-2672 - Fax2Mail
 Helena Sub-Area Office: (406) 449-5000 - Phone (855) 576-2675 - Fax2Mail
 Billings Area Office: (406) 657-6297 - Phone (855) 576-2671 - Fax2Mail
 Great Falls Office: (406) 727-7580 - Phone (866) 574-1071 - Fax2Mail
 Kalispell Area Office: (406) 756-2005 - Phone (855) 576-2678 - Fax2Mail
 Missoula Area Office: (406) 829-3395 - Phone (855) 576-2679 - Fax2Mail



September 18, 2019

RE: Prequalification Package

Dear:

Thank you for your interest in the USDA Rural Development Section 504 Direct Loan and Grant Program.

The Rural Housing Service (RHS) provides 504 Loans and Grants in rural areas to very-low income applicants. Loan funds are available for repairs to improve or modernize a home, make it safer or more sanitary, or remove health and safety hazards. For homeowners 62 and over who cannot repay a loan, grant funds are available to remove health or safety hazards, or remodel dwellings to make them accessible to a household member with a disability. Please review this letter carefully.

- 1) Please complete the attached Prequalification Information form.
- 2) Please sign/date the Form RD 3550-1, "Authorization to Release Information" for each applicant.
- 3) For each applicant, a complete copy of your last two (2) Federal Tax Returns including all W-2s and/or 1099(s) as applicable. If you are self-employed, please also include a current year-to-date Profit and Loss statement. This can be created by you or your accountant. If you are a corporation, please also include your last two (2) corporate returns.
- 4) If applicable, copies of recent benefit statements for regular unearned income (such as Social Security, public assistance, retirement income, etc.).
- 5) Provide the last four week's consecutive pay stubs from all employed adults (18 or older) in the household.
- 6) If applicable, provide the last 12 month payment history of alimony and/or child support received as provided by the court appointed entity responsible for handling payments. Also include a copy of the separation agreement and/or divorce decree (if applicable).
- 7) Optional: If you would like to provide a narrative regarding anything that you feel may assist us with processing your prequalification, please feel free to do so. Please remember to sign and date the narrative.
- 8) Please identify what county you are interested in. This, along with the information requested above, is necessary in order to establish that your family's annual income does not exceed the income limits for the program.

Upon receipt of the above items, we will pull a credit report to assist us in the review. You should get a response in approximately 5-10 business days from the date this office receives the items noted above.

Rural Development • Great Falls Area Office
12 3rd Street NW, Suite 300 • Great Falls, MT 59404
Voice (406) 727-7580 Ext. 4 • Fax (866) 574-1071

USDA is an equal opportunity provider and employer.

To file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

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Please remember that this is a prequalification only. In order to receive a home loan from Rural Development, you must complete the application process. If your prequalification review is found to be acceptable, an application package will be sent to you.

Sincerely,

Lea McGiboney
Area Director

Enclosure(s)



Rural Development - Single Family Housing Prequalification Information

Applicant Information

Name: _____

SSN: _____ DOB: _____

Mailing Address: _____

Home/Work Phone: _____

Gross Annual Wages: _____

Average Overtime/Month: _____

Bonuses per Year: _____ Months at Job _____

Co-Applicant Information

Name: _____

SSN: _____ DOB: _____

Mailing Address: _____

Home/Work Phone: _____

Gross Annual Wages: _____

Average Overtime/Month: _____

Bonuses per Year: _____ Months at Job _____

Optional Demographic Information I do not wish to furnish this information

Ethnicity: Hispanic or Latino Not Hispanic or Latino

Race: American Indian or Alaska Native Asian Black or African American

Native Hawaiian or Pacific Islander White

Gender: Male Female

Optional Demographic Information I do not wish to furnish this information

Ethnicity: Hispanic or Latino Not Hispanic or Latino

Race: American Indian or Alaska Native Asian Black or African American

Native Hawaiian or Pacific Islander White

Gender: Male Female

Total Non-Wage Income: Per Household Per Month

SS/SSI: _____ Food Stamps: _____

Foster Care: _____ State Assistance: _____

Child Support: _____ AFDC/TANF: _____

Other (explain): _____

Additional Household Members

Full Name/DOB: _____

Full Name/DOB: _____

Full Name/DOB: _____

Full Name/DOB: _____

Full Name/DOB: _____

Assets

Checking Account Balance: _____ Savings Account Balance: _____

Stocks: _____ Bonds: _____ CDs: _____ Other: _____

Debts

TYPE/NAME	MONTHLY PAYMENTS	TOTAL BALANCE
Rent/Mtg: _____	\$ _____	\$ _____
Vehicle Loan: _____	\$ _____	\$ _____
Vehicle Loan: _____	\$ _____	\$ _____
Credit Card: _____	\$ _____	\$ _____
Credit Card: _____	\$ _____	\$ _____
Child Care: _____	\$ _____	\$ _____
Other Debt: _____	\$ _____	\$ _____



Please attach the last two pay stubs for all income in the household. If self-employed, please submit federal tax returns for the past two years.

Mail to: USDA Rural Development
12 3rd Street NW, Ste 300
Great Falls, MT 59404

United States Department of Agriculture
Rural Development
Rural Housing Service

AUTHORIZATION TO RELEASE INFORMATION

TO: _____

RE: _____

Account or Other Identifying Number

Name of Customer

I, and/or adults in my household, have applied for or obtained a loan or grant from the Rural Housing Service (RHS), part of the Rural Development mission area of the United States Department of Agriculture. As part of this process or in considering my household for interest credit, payment assistance, or other servicing assistance on such loan, RHS may verify information contained in my request for assistance and in other documents required in connection with the request.

I, or another adult in my household, authorize you to provide to RHS for verification purposes the following applicable information:

- Past and present employment or income records.
- Bank account, stock holdings, and any other asset balances.
- Past and present landlord references
- Other consumer credit references.

If the request is for a new loan or grant, I further authorize RHS to order a consumer credit report and verify other credit information.

I understand that under the Right to Financial Privacy Act of 1978, 12 U.S.C. 3401, *et seq.*, RHS is authorized to access my financial records held by financial institutions in connection with the consideration or administration of assistance to me. I also understand that financial records involving my loan and loan application will be available to RHS without further notice or authorization, but will not be disclosed or released by RHS to another Government agency or department or used for another purpose without my consent except as required or permitted by law.

This authorization is valid for the life of the loan.

The recipient of this form may rely on the Government's representation that the loan is still in existence.

The information RHS obtains is only to be used to process my request for a loan or grant, interest credit, payment assistance, or other servicing assistance. I acknowledge that I have received a copy of the Notice to Applicant Regarding Privacy Act Information. I understand that if I have requested interest credit or payment assistance, this authorization to release information will cover any future requests for such assistance and that I will not be renotified of the Privacy Act information unless the Privacy Act information has changed concerning use of such information.

A copy of this authorization may be accepted as an original.

Your prompt reply is appreciated.

Signature (Applicant or Adult Household Member)

Date

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0172. The time required to complete this information collection is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

RHS Is An Equal Opportunity Lender

SEE ATTACHED PRIVACY ACT NOTICE

NOTICE TO APPLICANT REGARDING PRIVACY ACT INFORMATION

The information requested on this form is authorized to be collected by the Rural Housing Service (RHS), Rural Business-Cooperative Services (RBS), Rural Utilities Service (RUS) or the Farm Service Agency (FSA) ("the agency") by title V of the Housing Act of 1949, as amended (42 U.S.C. 1471 et seq.) or by the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.), or by other laws administered by RHS, RBS, RUS or FSA.

Disclosure of information requested is voluntary. However, failure to disclose certain items of information requested, including your Social Security Number or Federal Identification Number, may result in a delay in the processing of an application or its rejection. Information provided may be used outside of the agency for the following purposes:

1. When a record on its face, or in conjunction with other records, indicates a violation or potential violation of law, whether civil, criminal or regulatory in nature, and whether arising by general statute or particular program statute, or by regulation, rule, or order issued pursuant thereto, disclosure may be made to the appropriate agency, whether Federal, foreign, State, local, or tribal, or other public authority responsible for enforcing, investigating or prosecuting such violation or charged with enforcing or implementing the statute, or rule, regulation, or order issued pursuant thereto, if the information disclosed is relevant to any enforcement, regulatory, investigative, or prosecutive responsibility of the receiving entity.
2. A record from this system of records may be disclosed to a Member of Congress or to a Congressional staff member in response to an inquiry of the Congressional office made at the written request of the constituent about whom the record is maintained.
3. Rural Development will provide information from this system to the U.S. Department of the Treasury and to other Federal agencies maintaining debt servicing centers, in connection with overdue debts, in order to participate in the Treasury Offset Program as required by the Debt Collection Improvement Act, Pub. L. 104-134, Section 31001.
4. Disclosure of the name, home address, and information concerning default on loan repayment when the default involves a security interest in tribal allotted or trust land. Pursuant to the Cranston-Gonzales National Affordable Housing Act of 1990 (42 U.S.C. 12701 et seq.), liquidation may be pursued only after offering to transfer the account to an eligible tribal member, the tribe, or the Indian Housing Authority serving the tribe(s).
5. Referral of names, home addresses, social security numbers, and financial information to a collection or servicing contractor, financial institution, or a local, State, or Federal agency, when Rural Development determines such referral is appropriate for servicing or collecting the borrower's account or as provided for in contracts with servicing or collection agencies.
6. It shall be a routine use of the records in this system of records to disclose them in a proceeding before a court or adjudicative body, when: (a) the agency or any component thereof; or (b) any employee of the agency in his or her official capacity; or (c) any employee of the agency in his or her individual capacity where the agency has agreed to represent the employee, or (d) the United States is a party to litigation or has an interest in such litigation, and by careful review, the agency determines that the records are both relevant and necessary to the litigation, provided; however, that in each case, the agency determines that disclosure of the records is a use of the information contained in the records that is compatible with the purpose for which the agency collected the records.
7. Referral of names, home addresses, and financial information for selected borrowers to financial consultants, advisors, lending institutions, packagers, agents and private or commercial credit sources, when Rural Development determines such referral is appropriate to encourage the borrower to refinance the Rural Development indebtedness as required by title V of the Housing Act of 1949, as amended (42 U.S.C. 1471), or to assist the borrower in the sale of the property.
8. Referral of legally enforceable debts to the Department of the Treasury, Internal Revenue Service (IRS), to be offset against any tax refund that may become due the debtor for the tax year in which the referral is made, in accordance with the IRS regulations at 26 C.F.R. 301.6402-6T, Offset of Past Due Legally Enforceable Debt Against Overpayment, and under the authority contained in 31 U.S.C. 3720A.
9. Referral of information regarding indebtedness to the Defense Manpower Data Center, Department of Defense, and the United States Postal Service for the purpose of conducting computer matching programs to identify and locate individuals receiving Federal salary or benefit payments and who are delinquent in their repayment of debts owed to the U.S. Government under certain programs administered by Rural Development in order to collect debts under the provisions of the Debt Collection Act of 1982 (5 U.S.C. 5514) by voluntary repayment, administrative or salary offset procedures, or by collection agencies.
10. Referral of names, home addresses, and financial information to lending institutions when Rural Development determines the individual may be financially capable of qualifying for credit with or without a guarantee.
11. Disclosure of names, home addresses, social security numbers, and financial information to lending institutions that have a lien against the same property as Rural Development for the purpose of the collection of the debt. These loans can be under the direct and guaranteed loan programs.
12. Referral to private attorneys under contract with either Rural Development or with the Department of Justice for the purpose of foreclosure and possession actions and collection of past due accounts in connection with Rural Development.
13. It shall be a routine use of the records in this system of records to disclose them to the Department of Justice when: (a) The agency or any component thereof; or (b) any employee of the agency in his or her official capacity where the Department of Justice has agreed to represent the employee; or (c) the United States Government, is a party to litigation or has an interest in such litigation, and by careful review, the agency determines that the records are both relevant and necessary to the litigation and the use of such records by the Department of Justice is therefore deemed by the agency to be for a purpose that is compatible with the purpose for which the agency collected the records.

NOTICE TO APPLICANT REGARDING PRIVACY ACT INFORMATION- CONTINUED

14. Referral of names, home addresses, social security numbers, and financial information to the Department of Housing and Urban Development (HUD) as a record of location utilized by Federal agencies for an automatic credit prescreening system.
15. Referral of names, home addresses, social security numbers, and financial information to the Department of Labor, State Wage Information Collection Agencies, and other Federal, State, and local agencies, as well as those responsible for verifying information furnished to qualify for Federal benefits, to conduct wage and benefit matching through manual and/or automated means, for the purpose of determining compliance with Federal regulations and appropriate servicing actions against those not entitled to program benefits, including possible recovery of improper benefits.
16. Referral of names, home addresses, and financial information to financial consultants, advisors, or underwriters, when Rural Development determines such referral is appropriate for developing packaging and marketing strategies involving the sale of Rural Development loan assets.
17. Rural Development, in accordance with 31 U.S.C. 3711(e)(5), will provide to consumer reporting agencies or commercial reporting agencies information from this system indicating that an individual is responsible for a claim that is current.
18. Referral of names, home addresses, home telephone numbers, social security numbers, and financial information to escrow agents (which also could include attorneys and title companies) selected by the applicant or borrower for the purpose of closing the loan.
19. Disclosures pursuant to 5 U.S.C. 552a(b)(12): Disclosures may be made from this system to consumer reporting agencies as defined in the Fair Credit Reporting Act (15 U.S.C. 1681a(f)) or the Federal Claims Collection Act (31 U.S.C. 3701(a)(3)).

----- A D J U S T E D I N C O M E L I M I T S -----

P R O G R A M	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON*
Great Falls, MT MSA								
GRANT INCOME	14450	16500	18550	20600	22250	23900	25550	27200
VERY LOW INCOME	34350	34350	34350	34350	45350	45350	45350	45350
LOW INCOME	54950	54950	54950	54950	72550	72550	72550	72550
MODERATE INCOME	86850	86850	86850	86850	114650	114650	114650	114650
36 YEAR TERM	41200	41200	41200	41200	54400	54400	54400	54400
Blaine County, MT								
GRANT INCOME	14450	16500	18550	20600	22250	23900	25550	27200
VERY LOW INCOME	34350	34350	34350	34350	45350	45350	45350	45350
LOW INCOME	54950	54950	54950	54950	72550	72550	72550	72550
MODERATE INCOME	86850	86850	86850	86850	114650	114650	114650	114650
36 YEAR TERM	41200	41200	41200	41200	54400	54400	54400	54400
Chouteau County, MT								
GRANT INCOME	14450	16500	18550	20600	22250	23900	25550	27200
VERY LOW INCOME	34350	34350	34350	34350	45350	45350	45350	45350
LOW INCOME	54950	54950	54950	54950	72550	72550	72550	72550
MODERATE INCOME	86850	86850	86850	86850	114650	114650	114650	114650
36 YEAR TERM	41200	41200	41200	41200	54400	54400	54400	54400
Fergus County, MT								
GRANT INCOME	14450	16500	18550	20600	22250	23900	25550	27200
VERY LOW INCOME	34350	34350	34350	34350	45350	45350	45350	45350
LOW INCOME	54950	54950	54950	54950	72550	72550	72550	72550
MODERATE INCOME	86850	86850	86850	86850	114650	114650	114650	114650
36 YEAR TERM	41200	41200	41200	41200	54400	54400	54400	54400
Hill County, MT								
GRANT INCOME	14450	16500	18550	20600	22250	23900	25550	27200
VERY LOW INCOME	34350	34350	34350	34350	45350	45350	45350	45350
LOW INCOME	54950	54950	54950	54950	72550	72550	72550	72550
MODERATE INCOME	86850	86850	86850	86850	114650	114650	114650	114650
36 YEAR TERM	41200	41200	41200	41200	54400	54400	54400	54400
Judith Basin County, MT								
GRANT INCOME	14450	16500	18550	20600	22250	23900	25550	27200
VERY LOW INCOME	34350	34350	34350	34350	45350	45350	45350	45350
LOW INCOME	54950	54950	54950	54950	72550	72550	72550	72550
MODERATE INCOME	86850	86850	86850	86850	114650	114650	114650	114650
36 YEAR TERM	41200	41200	41200	41200	54400	54400	54400	54400

Liberty County, MT

GRANT INCOME	14450	16500	18550	20600	22250	23900	25550	27200
VERY LOW INCOME	34350	34350	34350	34350	45350	45350	45350	45350
LOW INCOME	54950	54950	54950	54950	72550	72550	72550	72550
MODERATE INCOME	86850	86850	86850	86850	114650	114650	114650	114650
38 YEAR TERM	41200	41200	41200	41200	54400	54400	54400	54400

Petroleum County, MT

GRANT INCOME	14450	16500	18550	20600	22250	23900	25550	27200
VERY LOW INCOME	34350	34350	34350	34350	45350	45350	45350	45350
LOW INCOME	54950	54950	54950	54950	72550	72550	72550	72550
MODERATE INCOME	86850	86850	86850	86850	114650	114650	114650	114650
38 YEAR TERM	41200	41200	41200	41200	54400	54400	54400	54400

Phillips County, MT

GRANT INCOME	14450	16500	18550	20600	22250	23900	25550	27200
VERY LOW INCOME	34350	34350	34350	34350	45350	45350	45350	45350
LOW INCOME	54950	54950	54950	54950	72550	72550	72550	72550
MODERATE INCOME	86850	86850	86850	86850	114650	114650	114650	114650
38 YEAR TERM	41200	41200	41200	41200	54400	54400	54400	54400

Pondera County, MT

GRANT INCOME	14450	16500	18550	20600	22250	23900	25550	27200
VERY LOW INCOME	34350	34350	34350	34350	45350	45350	45350	45350
LOW INCOME	54950	54950	54950	54950	72550	72550	72550	72550
MODERATE INCOME	86850	86850	86850	86850	114650	114650	114650	114650
38 YEAR TERM	41200	41200	41200	41200	54400	54400	54400	54400

Teton County, MT

GRANT INCOME	14600	16650	18700	20800	22450	24100	25800	27450
VERY LOW INCOME	34650	34650	34650	34650	45750	45750	45750	45750
LOW INCOME	55450	55450	55450	55450	73200	73200	73200	73200
MODERATE INCOME	86850	86850	86850	86850	114650	114650	114650	114650
38 YEAR TERM	41600	41600	41600	41600	54900	54900	54900	54900

Toole County, MT

GRANT INCOME	14450	16500	18550	20600	22250	23900	25550	27200
VERY LOW INCOME	34350	34350	34350	34350	45350	45350	45350	45350
LOW INCOME	54950	54950	54950	54950	72550	72550	72550	72550
MODERATE INCOME	86850	86850	86850	86850	114650	114650	114650	114650
38 YEAR TERM	41200	41200	41200	41200	54400	54400	54400	54400