

<u>Type of Assistance:</u>	Low Interest Loans
<u>Eligible Borrower:</u>	Homeowners with household income of 100% of area median income or less, and owners, general partner or other authorized agent for eligible multi-family properties.
<u>Eligible Properties:</u>	Single family and multi-family properties located within an area meeting the USDA Rural Development definition of rural (population of less than 20,000). Multi-family properties must target at least 20% of its units to households with incomes at or below area median income.
<u>Maximum Loan Amount:</u>	For single family 75% of project costs not to exceed \$25,000. For multi-family 75% of project costs not to exceed \$100,000.
<u>Term of Loan:</u>	For single family a maximum of 20 years or minimum payment of \$50. For multi-family projects a maximum of 25 years or minimum payment of \$150. In the case of multi-family the loan may include a 5 year balloon and provisions for renewal.
<u>Interest Rate:</u>	Will be based on the Agency's cost of funds at the time of commitment and will depend on loan term, the property type, and household income restrictions.
<u>Proceeds Usage:</u>	Any improvement to the property to a decent, safe and sanitary condition, requiring more than routine or minor repairs or improvements that may vary in degree from gutting and extensive reconstruction to cosmetic improvements combined with cure of substantial accumulation of deferred maintenance, the construction of additions, the rehabilitation of an attached or detached garage, driveway, and sidewalks, improvements to achieve energy efficiency. Ineligible uses include the construction or rehab of sheds, storage facilities or other buildings or facilities attached to or adjacent to the property, swimming pools, decks, patios, saunas, spas or other purely recreational facilities. Acquisition is an ineligible use of proceeds; the applicant must own the property at the time of application.
<u>Repayment Terms:</u>	Monthly amortization. (See Term of Loan).
<u>Collateral:</u>	No less than second lien on subject property preferred (exceptions at sole discretion of the Agency).
<u>Underwriting:</u>	The Agency will establish underwriting and documentation standards that reserve its right to determine the long term viability of the project and reasonable assurances that the loan will be repaid.
<u>Loan Fees:</u>	Origination fee of 1% or \$500, whichever is greater, and all hard costs.