The purpose of this presentation is to give viewers a basic overview of the credit requirements for the Section 502 Direct Loan Program. While this recorded webinar is targeted to Rural Development (RD or Agency) staff, others (such as loan application packagers) may find the information useful.

Creditworthiness

- Evaluating an applicant's creditworthiness requires a determination of the applicant's ability and willingness to meet their debt obligations
  - Ability: Income availability and reliability
  - Willingness: Credit payment history
- Credit history for the last three years is evaluated

To qualify, an applicant must meet the program's income, credit, repayment, and other eligibility requirements. When considering creditworthiness, the Agency considers both the applicant's ability and willingness to meet their debt obligations. Ability has to do with the applicant's available, reliable income and considers whether the applicant has adequate income to repay their debt obligations from stable income source(s). Willingness on the other hand means that the applicant not only has funds available, but is willing to use those funds to pay their creditors. In other words, you could be a millionaire with more than enough ability to pay your bills, but if you choose not to pay those to whom you owe debts, then you don't show a willingness to do so.

Both components: ABILITY and WILLINGNESS to pay are critical to the credit analysis.

In order to determine if an applicant has the ability and willingness to repay their debts, the last three years of their credit history is evaluated. For some debt obligations (such as an outstanding collection), a scope greater than three years may be considered.

Types of Credit Reports

- Tri-Merge Credit Report (TMCR)
- Infile credit report
- Free credit report:
  - Call 1-877-322-8228 or visit http://www.annualcreditreport.com

There are three types of credit reports mentioned in the program's handbook (known as Handbook-1-3550).

When a complete application is received, the Agency orders a Tri-Merge Credit Report or TMCR on the applicant via its loan origination system. As mentioned in the previously provided presentation on the Section 502 Direct Loan Program's Pre-Qualification and Application Processes, the TMCR contains information from the three major repositories, is used to determine if the applicant's credit history and score meets the program guidelines for streamlined processing, and is used to render an official eligibility decision.

As further mentioned in the Section 502 Direct Loan Program's Pre-Qualification and Application Processes presentation, an infile credit report is a single repository report ordered by the Agency at no cost to the individual. Infile credit reports are strictly limited to the pre-qualification process. During the pre-qualification, unverified information from an interested party is used to evaluate the likelihood of them being able to obtain a loan. RD staff are not required to conduct pre-qualifications since the results are unofficial and they take time away from application processing. Another reason pre-qualifications are not required is that an infile credit report is a hard hit against a person's credit score. While a TMCR is also a hard hit, a TMCR is used for decision making purposes unlike an infile credit report.

As outlined in Attachment 3-J, Checklist of Items to Accompany the Uniform Residential Loan Application, an applicant must provide (among other items) a nonrefundable credit report fee for the TMCR and a written explanation for any late payments, collections, judgments, or other derogatory items in their credit history. The attachment informs them that if they are unsure what their credit history looks like, they can obtain a free credit report by calling 1-877-322-8228 or by visiting http://www.annualcreditreport.com. By law, individuals are entitled to receive one free credit file disclosure every 12 months from each of the nationwide consumer credit reporting companies – Equifax, Experian, and TransUnion.

Whose Credit is Reviewed?

- All note signers (applicant and co-signer if present)
- Non-purchasing spouse **(community property states only)**
  - A copy of the NPS's credit report must be provided
  - Obligations are considered in the applicant's Total Debt
  - NPS's credit history is never considered a reason to deny a loan
  - Judgements must be paid in full unless an exception is granted by the Loan Approval Official

A credit report is obtained on anyone who will sign the promissory note if the application for financing is approved. Note signers include the applicant and a co-signer if present to supplement to the applicant's repayment ability.

In addition, in community property states when one spouse is a note signer, but the other is not, the spouse who will not be a note signer is called a Non-Purchasing Spouse or NPS. The applicant must provide the Agency with a copy of their non-purchasing spouse's credit report. The NPS's credit report (or reports) must contain information from Equifax, Experian, and TransUnion and can come from a source that was free or paid for. While the NPS's debts are evaluated and included in the applicant's Total Debt ratio, the non-purchasing spouse's credit history will not be a basis on which to deny a loan since they are not the applicant. Any judgment against the NPS must be paid in full unless an exception is granted by the Loan Approval Official. Community property states include: **Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington and Wisconsin. Puerto Rico allows property to be owned as community property as do several Indian jurisdictions. Alaska is an opt out community property state. If a non-purchasing spouse in a community property state is unwilling or unable to provide a credit report, the application will not be considered complete.**

Credit History Review

- Credit decisions are based on the TMCR ordered by Rural Development (RD)
- Credit reports are used to determine if an applicant has a **recent** history of consistently and dependably making payments

Regardless of whether the application is received directly by RD, or from a loan application packager, Rural Development will always order a Tri-Merge Credit Report (TMCR) via its loan origination system to evaluate the applicant's credit.

The credit report is used to determine if the applicant has a recent history of consistently and dependably making payments. While three years of history is evaluated, preference is given to the most recent 24 months as it is most reflective of the applicant's current circumstances. In the following slides we will review how credit scores are evaluated, how an applicant can qualify for a streamlined credit analysis, and what steps are taken if an applicant has adverse credit.

Which Credit Score is Used?

- 3 scores - use the middle score
- 2 scores - choose the lowest score
- 1 score/no score
  - a full credit analysis must be completed
  - obtain alternate credit verifications
- Each applicant is reviewed separately using Form RD 1944-61, Credit History Worksheet (when required by the handbook)

The TMCR may contain up to 3 credit scores for each applicant. If the report contains 3 scores, the middle score is used; if there are 2 scores, the lowest score will be used. Having 2-3 scores indicates that there is an adequate depth of credit history to arrive at a reflective score. However, if there is only one score or no score, then the applicant either has very little credit, or no credit history. This can be mitigated if the applicant can document a willingness to pay recurring debts via third party verifications (not including relatives) or cancelled checks. For instance, an applicant may have a cell phone bill paid monthly that is not on the credit report, but billing statements could be used to document their willingness to pay their obligations. RD will conduct a full credit analysis using these alternate/nontraditional credit verifications.

It is important to note that nontraditional credit may never be used to enhance the credit of an applicant with a negligent credit history or to offset derogatory credit references found in the applicant's traditional credit report. The review and analysis of the credit report is completed for all applicants separately. If there are two applicants and one has 3 scores, but the other has only 1, then alternate credit would be needed for the applicant with one score, and the references would need to indicate that the credit is in that applicant's name (either jointly or individually).

Which Credit Score is Used?
Examples

Example A - Applicants:
John Day and Mary Knight

John
700 640 620

Mary
640 630

Example B - Applicants:
Ben Cherry and Jeri Garcia

Ben
580

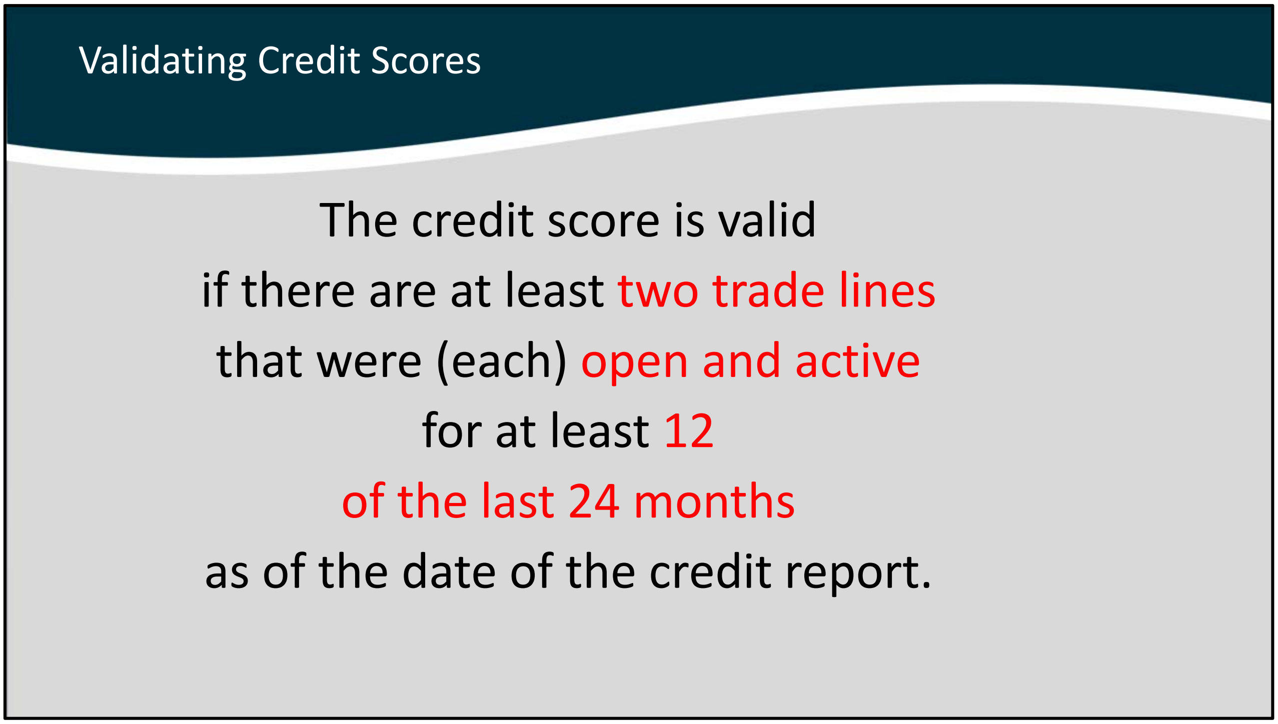
Jeri
800 740 680

Let's look at two examples to determine which credit score to use.

Example A is John Day and Mary Knight.
John has 3 credit scores: 700, 640, and 620. Because he has three scores, the middle score of 640 is selected as his score. Mary only has two scores: 640 and 630. Since she has two scores, the lower score of 630 is selected.

Example B is Ben Cherry and Jeri Garcia. Ben has one score of 580 which will be used, but will require alternate credit verifications. Jeri has three scores, so like John in the first example, we use the middle score which in Jeri's case is 740.

Once you have selected the score to use, you must then determine if the score is valid.



For Rural Development purposes, the credit score is considered valid if there are at least two tradelines which were each open and active for at least 12 of the last 24 months as of the date of the credit report.

What that means, is for each tradeline the last 24 months will be reviewed. During that 24 month period, the accounts need to show activity in the form of a balance due and payments made for 12 out of those 24 months. The balance due could be an ongoing balance, or paid in full each month, but the test is whether there is activity reflected in the account which allows the Loan Approval Official to determine if the applicant exhibits a willingness to pay their debts when due. Note that accounts which are in dispute cannot be considered as a tradeline. In the next slide we will consider an example.

Validating Credit Scores – Example
John Day

Account	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Macy's		O							X		X		X		X		X		X					
Chevron (open 2011)	X	X	X	X	X	X	X	X	X	X	C													
Verizon (open 2014)	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Cars USA														O	X	X	X	X	X	X	X	X	X	X
Student Loan	D	D	D	D	D	D	D	D	D	D	D	D	D	D	D	D	D	X	X	X	X	X	X	X

O = Opened
X = Balance Due/Payment Made
C = Closed
D = Deferred

The chart on the slide has 24 columns to reflect the last 24 months of history for our applicant John Day. Column 24 is the most recent month, with column 1 being two years ago.
An "O" in the column indicates the month the account was opened.
An "X" in the column indicates that a balance was due and a payment was made (that's the activity indicator).
A "C" in the column indicates the month the account was closed.
A "D" in the column indicates that payments were deferred for these months. Even though a balance was owing, payments are not due so this does not reflect a month with "activity.

Let's review each of these accounts to determine if they are a valid tradeline.

Macy's has been open for 23 of the last 24 months, so it meets the test of being open for at least 12 of the last 24 months. However, there are only 6 months where a balance was due and a payment was made: months 9, 11, 13, 15, 17 and 19. Therefore, the Macy's account does not meet the minimum threshold and cannot be used to validate the credit score.

The Chevron account was opened in 2011 so it is a long standing account. Payments were made regularly, however, it was closed in month 11, so the account does not have 12 months that have been open and active in the past 24 months. Even though this was a long standing account with a positive credit history, it cannot be used to validate the credit score.

- Verizon has been open and active for all 24 months under review, so it can be used to validate the score.
- Cars USA was opened in month 14 and 10 payments have been made. It does not meet the open and active for 12 months definition, so it cannot be used to validate the credit score.
- The student loan was in a deferred status for months 1-17. Payments were received in months 18-24. While this account was open in the past 24 months, it was not active for at least 12 so it cannot be used to validate the score.

In our specific example, there is only one account (Verizon) which can be used to validate the score of 640 for John. Because we do not have at least 2 tradelines, we need to complete a further analysis of John's credit.

Validating Credit Scores – Example
Jeri Garcia

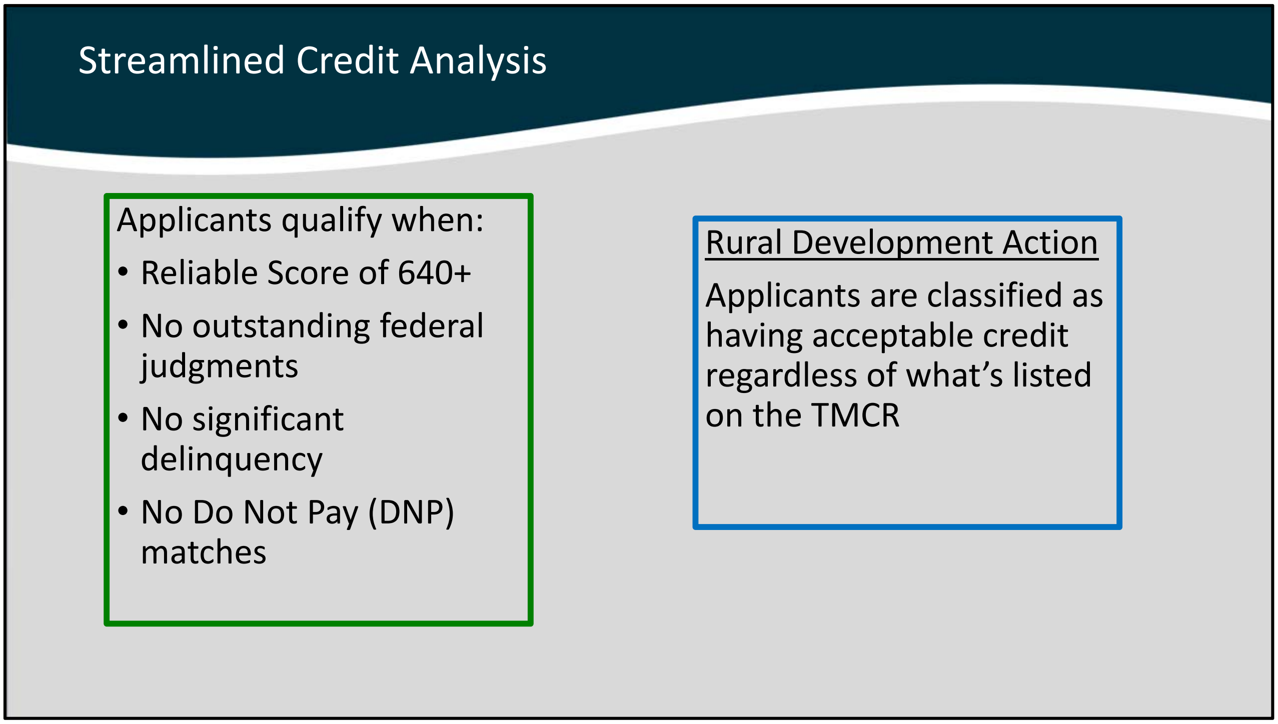
Account	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Home Depot																				O	X	X	X	X
MasterCard (open 2012)	X	X	X	X	X	X	X	X	X	X	X	X	X											
Lowes (open 2015)	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

O = Opened
X = Balance Due/Payment Made
C = Closed
D = Deferred

Now let's consider the credit history for Jeri Garcia, using the same chart format which shows 24 columns to reflect the last 24 months of history. Jeri has 3 accounts which need to be reviewed to determine if they are valid tradelines:

- First, Home Depot was opened in month 20 and has 4 months of payments. This tradeline cannot be used as it does not have 12 months of history.
- Second is MasterCard. It was opened in 2012 so is a long standing account. A balance was due/payments made in months 1-13 with no balance in the remaining months. Because it has been open and active for at least 12 of the last 24 months, it can be used to validate the score.
- The Lowes account was opened in 2015. For each of the past 24 months it has been open and active, therefore it can be used to validate the credit score.

In this specific example, there are two accounts (MasterCard and Lowes) which can be used to validate the score. Therefore, alternate credit is not needed.



A streamlined credit analysis is used by Rural Development when the applicant has a reliable score of 640 or above, there are no outstanding federal judgments, no significant delinquencies, and they have no matches on the Department of Treasury's Do Not Pay (DNP) portal. Among other things, the DNP portal is used to verify delinquency on a Federal Debt.

Applicants who qualify for the streamlined analysis are classified as having an acceptable credit history, even if there are items (such as collections or late payments) reflected on their report because those factors have been considered in the credit score. To avoid potential disparate treatment, additional credit analysis is not appropriate.

Streamlined Credit Analysis
Not eligible

Regardless of their score, an applicant with an outstanding judgment obtained by the United States in a Federal court, other than the United States Tax Court, is not eligible.

This requirement is statutory and cannot be waived.

In the event that an applicant has an outstanding judgment obtained by the United States in a Federal court (other than the U.S. Tax Court), they are not eligible for the program. This is the one instance where regardless of why it happened, if the judgment is outstanding, the application cannot be determined eligible. This is a statutory requirement that cannot be waived.

Streamlined Credit Analysis
Subject to Further Review

Regardless of their score, an applicant with a significant delinquency within the last 36 months is subject to further review. A significant delinquency is a/an:

- Foreclosure, deed-in-lieu of foreclosure, short sale, or mortgage charge-off.
- Chapter 7 bankruptcy.
- Chapter 13 bankruptcy that doesn't meet certain conditions.
- Agency debt that was debt settled or is being considered for debt settlement.

Regardless of their score, an applicant with a significant delinquency within the last 36 months is subject to further review since a significant delinquency indicates there is a high level of risk that the applicant may be unable and/or unwilling to handle their mortgage payments. A significant delinquency is a/an:

- Foreclosure, deed-in-lieu of foreclosure, short sale, or mortgage charge-off that has been completed within the last 36 months.
- Chapter 7 bankruptcy discharged less than 36 months prior to the application date.
- Chapter 13 bankruptcy where the applicant has not successfully completed the debt restructuring plan or has not demonstrated a willingness to meet obligations when considering the last 12-month payments made under the restructuring plan.
- Agency debt that was debt settled within the past 36 months, or is being considered for debt settlement.

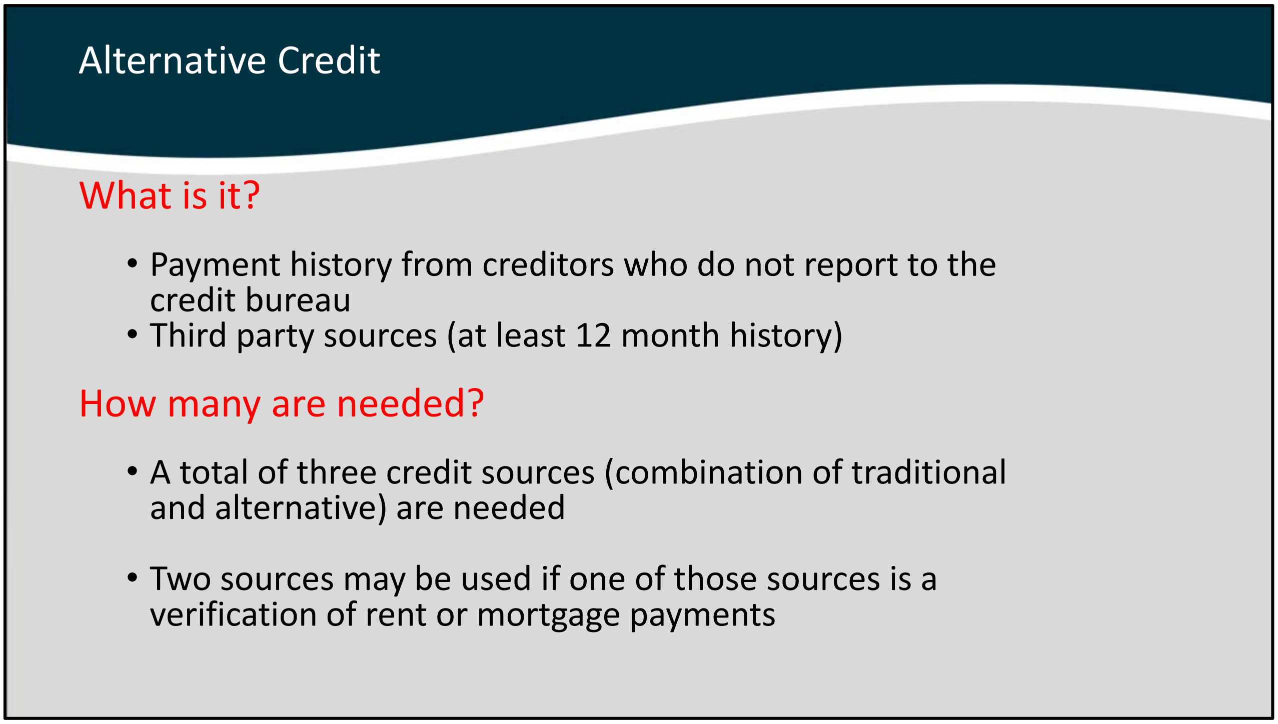
The existence of a significant delinquency on the credit report does not automatically indicate that an applicant is not eligible for the loan. However, these items are subject to further credit analysis. The Loan Approval Official will need to determine the reason for the delinquency, what the applicant did to correct the situation and what the applicant's credit status is now. This analysis is documented on the Credit History Worksheet.

Credit Scores under 640 or Not Reliable

- Lack of Activity/History
  - Obtain alternative credit sources
- Adverse Credit
  - Evaluate report
  - Lack of activity – may need alternative credit sources
  - Adverse activity – may review as is

When an applicant's score cannot be considered reliable, Rural Development must evaluate the credit report to determine next steps. In situations where the credit score is under 640 or is not reliable because there are no tradelines, the activity on the tradelines does not meet the minimum standards, or there are very few tradelines - but those creditors report that payments are made as agreed, the applicant can provide alternative credit sources to supplement the report. The alternative sources should verify at least 12 months of payments, within the past 24 months. The combination of the traditional sources as reported on the credit report, and the nontraditional alternative sources, can be used to develop the credit history.

In the case where the applicant has an adequate number of tradelines on their report, but the score is low because the majority of those tradelines are adverse, Rural Development will need to evaluate the report further to determine next steps. If there is minimal activity with minimal adverse items, alternative credit may be helpful to better establish the overall pattern of payment history. However, if the bulk of the tradelines are adverse, it may not be necessary to obtain alternative credit because alternative credit can never be used to negate adverse credit. We will review some examples later in the presentation, but first let's discuss what qualifies as alternative credit.



Alternative credit is a payment history from creditors who do not report to the credit bureau. A 12 month payment history is obtained from a third party source to verify that payments have been made as agreed. The payment history can be in the form of a 12 month history, copies of billing statements, cancelled checks, etc.

Alternative credit can be combined with the traditional credit tradelines as reported on the credit report (remember that those tradelines need to meet the minimum payment activity history to be considered).

A total of three credit sources (combination of traditional and alternative) are needed.

OR

Two sources may be used if one of those sources is a verification of rent or mortgage payments.

Alternative Credit Sources

Preferred Sources:
- Rental payments
- Utility/internet/cell phone/cable TV payments
- Insurance (medical, auto, life, renter's, etc.)
- Personal loan with terms in writing supported with canceled checks (cannot be a relative of applicant)

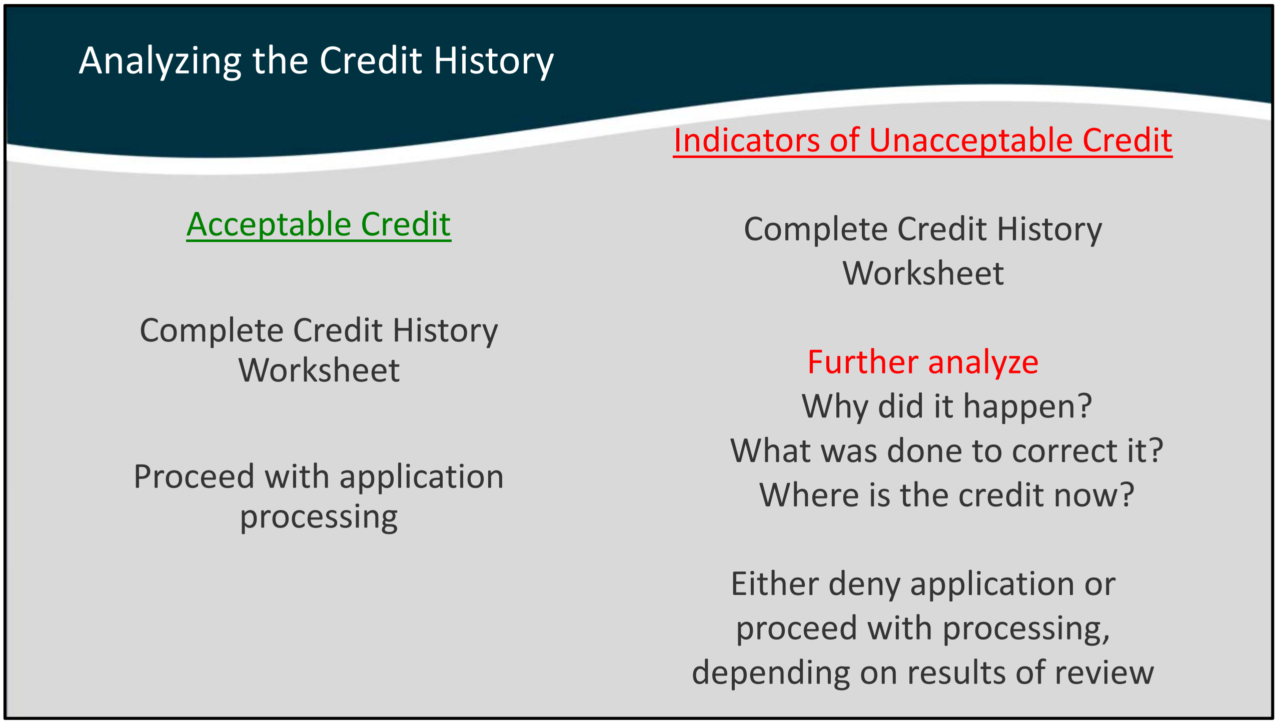
Alternative Sources:
- Payment to child care providers (cannot be a relative)
- Department, furniture, rent-to-own stores, etc.
- School tuition

Let's consider some examples of alternative credit sources that can be used to supplement the credit report.

The Agency has preferred sources which include rental (or mortgage) payments, utility, internet, cell phone, cable TV, insurance, and even personal loans (which are not from a relative of the applicant). For these preferred sources, the applicant should be able to obtain a payment history or provide billing statements to show when payments were made. The key point of these verifications is that they must show when and how much was due compared to what/when the payment was made.

If the applicant does not have any preferred sources which can be used, the Agency will consider alternative sources such as payments for child care, furniture/rent to own, school tuition, etc.

A 12 month history is needed. If payments are made monthly, the Agency will verify that 12 months of payments were made; if payments are due quarterly, the Agency will verify that 4 payments were made, etc.



Once the Loan Approval Official has all of the credit tradelines and/or non-traditional credit references available, those sources must be reviewed to determine if the applicant has an acceptable credit history.

The Credit History Worksheet is used to document the results of the analysis.

If the combination of tradelines from the credit report and non-traditional references indicate that payments have been made as agreed, the Loan Approval Official completes the Credit History Worksheet to document that the applicant has acceptable credit, and may proceed with application processing.

Adverse credit items are considered INDICATORS of unacceptable credit. We will review some examples on the next slide. When the credit report and/or non-traditional references include indicators of unacceptable credit, this does not mean that the applicant is automatically ineligible for the loan. The Loan Approval Official must ask three basic questions before making the final decision:

1. Why did it happen? The applicant will need to explain the circumstances that resulted in the delinquency. Was this because of an injury/accident that

prevented the applicant from working for a period of time or did they forget to pay the bill?

2. What was done to correct the delinquency? Did the applicant make payment arrangements to bring the account current? Or did the delinquency remain unpaid for a period of time?
3. Where is the credit now? In other words: has the applicant rebuilt their credit since that "one time" incident, or do they continue to have late payments to their creditors?

Depending on the results of that analysis, the application will either be denied, due to a lack of acceptable credit history, or the Loan Approval Official may determine that the applicant has an acceptable credit history and may continue processing the application.

Indicators of Unacceptable Credit Examples

- Little or no credit history
- Installment accounts: The amount of the delinquency exceeds one installment for more than 30 days within the last 12 months
- Revolving debt: Two or more late payments 30 days late within past 12 months
- Foreclosure in past 36 months
- Outstanding tax liens
- 2 or more rent payments > 30 days late within 2 years (some exceptions may apply)
- Outstanding collections w/ no payment plan, or irregular payments, or paid in full < 6 months unless regular payments had been made

Indicators of unacceptable credit include but are not limited to:

- Little or no credit history
- Installment accounts: The amount of the delinquency exceeds one installment for more than 30 days within the last 12 months
- Revolving debt: Two or more late payments 30 days late within past 12 months
- Foreclosure in past 36 months
- Outstanding tax liens
- 2 or more rent payments > 30 days late within 2 years (some exceptions may apply)
- Outstanding collections w/ no payment plan or irregular payments, or paid in full < 6 months unless regular payments had been made

As we discussed previously, Rural Development may determine that the cause of the adverse credit was beyond the applicant’s control and they have since corrected or have made arrangements to correct the delinquency. Remember that each applicant is evaluated on their own merits. An applicant with an acceptable credit history cannot compensate for a co-applicant with an adverse credit history. The analysis of the credit determines whether the applicant has an ability and a willingness to repay obligations.

In the next two slides, let’s consider some scenarios.

Evaluating Adverse Credit
John Day and Mary Knight

Example A - Applicants:

John Day and Mary Knight

John

700 640 620

Mary

640 630

Analysis:

John –

Valid score of 640

Mary –

Score under 640

One tradeline (open 6 months)

Collection account - $500 balance

No alternatives credit references in her name

The first example is John Day and Mary Knight.

Previously, we considered the credit scores: John has 3 credit scores so we can use the mid score of 640. Mary only has two scores so the lower score of 630 is selected.

Let's assume for this example that John's score is valid as it has adequate tradelines and payment history. Mary's score is under 640. This is based on one tradeline which has only been open for 6 months, as well as a collection account with a $500 balance. We asked Mary for alternative credit references, but she does not have anything in her name. Mary indicates that the collection account happened because she moved from the area and did not pay the bill. Mary does not have a credit history with enough data to determine if she has an ability and willingness to repay the loan. She has an indicator of unacceptable credit which does not appear to be beyond her control and she hasn't attempted to resolve the delinquency. In this example, John has an acceptable credit history but Mary does not. The application would be denied due to lack of acceptable credit because both applicants do not meet the credit requirements.

Evaluating Adverse Credit
Ben Cherry and Jeri Garcia

Analysis:
Ben –
Score of 580
No adverse credit
Low score due to lack of recent tradelines
Obtained landlord reference and power bill
Jeri –
Reliable score of 740
3 unpaid collection accounts

Example B - Applicant:

Ben Cherry and Jeri Garcia

Ben
580

Jeri
800 740 680

The second example is Ben Cherry and Jeri Garcia.

Ben has one score of 580. His report indicates no adverse credit, but he has a lack of recent tradelines. What is on his report is good, it's just older. Because he does not have adequate tradelines, alternative credit was requested to supplement the report. A landlord reference and a 12 month power bill were obtained. Both indicate that he has made all payments as agreed. Based on the combination of traditional and non-traditional sources, it is determined that Ben has acceptable credit. These findings would be documented on the Credit History Worksheet.

Jeri has three scores. Let's assume for this example that her score is reliable as she has 5 accounts that show 12 months of activity within the last 24 months. She also has 3 unpaid collection accounts. However, since her score is reliable and above 640, and she has no significant delinquencies, she qualifies for streamlined processing.

Because both Ben and Jeri have acceptable scores, the Loan Approval Official can proceed with application processing.

Exceptions to Credit Standards

RD may consider exceptions to the credit standards in the following situations:

- Reduced shelter costs
- Temporary situation
- Benefit to the government

Rural Development may consider exceptions to an applicant's adverse credit history and may grant an exception to the standard, if:

1) **Making the loan will significantly reduce the applicant's shelter costs**. For example, the applicant's credit history indicates that for the last 3 months, they have had payments 30 days late. They explain that their rent went up to $1,000/month 4 months ago which was a $200/month increase from what they had been paying. They have been struggling to make all of their payments on time since the rent increase. However, prior to the rent increase the credit report indicates that all payments were made on time. The loan amount requested will result in a payment of $750/month which reduces their shelter costs and would likely result in their ability to make the mortgage payment as well as other obligations.
2) **The circumstances were temporary and beyond the applicant's control.** What this means is that the applicant may have adverse credit in their history, but it is due to a reason beyond their control such as: unexpected loss of job, delay in benefits, inability to work due to injury, increased expenses due to illness, etc. And the issue is temporary in nature. As an example – the credit report shows excellent payments until 18 months ago. Then there is a 6 month period which

reflects late payments; and the remaining history is paid on time. The applicant indicates that she was hit by a car 18 months ago, was unable to work for the first 2 weeks, then was on a part time basis for 3 months. She did not have any sick leave and did not qualify for other benefits so was unable to keep up with the payments. However, once she was on a full time schedule, she made arrangements with the creditors, got caught up and has been paying on time since then. In this example, it's evident that the reason for the delinquency was beyond her control and she corrected the issue as soon as possible.

3) **Benefit to the Government.** In this case, the applicant may be delinquent on a Federal debt and by making the loan, the housing expenses will be reduced, allowing the applicant to take actions on that debt which will benefit the government. While this is an exception which can be considered, be aware that this requires review and approval by the Agency's Administrator and is rare.

Credit Inquiries

What are they?

What type of debt?

How many?

What are they? While credit inquiries are not necessarily an indicator of unacceptable credit, they are an indicator that an applicant may have recently applied for credit and may have increased their debt obligations. Since inquiries are typically a recent event, it's important to ask the applicant questions about the inquiries.

What type of debt? If the applicant is applying for a car loan, this could be significant. A payment of $300 per month may mean that they no longer qualify for the loan amount requested. However, if they applied for a retail store credit card, perhaps it is a small debt with a minimal payment. Regardless, it is important to find out the type of credit, the potential amount of debt/resulting payment, and whether or not they have actually opened or intend to open the credit.

How many credit inquiries are reflected? Not only does the type of debt matter, but how credit inquiries are reflected. Opening one retail store card with a $1,000 credit limit is a lot different than opening 10. It is important to review the number and dates of credit inquiries. The presence of many and recent credit inquiries in different industries may indicate that the applicant is looking for credit to finance purchases.

Credit inquiries are an indication that there may be additional debt so it is necessary to confirm that the applicant has not obtained new credit that is yet to be reflected in the credit report.

Govdelivery Notices

Sign up for Govdelivery to receive email updates on this program.

Using the link below, enter your email and select the “SFH Direct Loan and Grant Programs” (and any other programs of interest) and then click “Submit”:

https://public.govdelivery.com/accounts/USDARD/subscriber/new?qsp=USDARD_25

This email subscription service is used to provide updates regarding the:

- Program’s interest rate,
- Changes to Handbook-1-3550,
- Certified packaging process,
- And much more.

Closing Thoughts

In this webinar, we have examined the program's basic credit requirements.

If you haven't already, we encourage you to view the existing webinars on various program related topics. The webinars can be found on the program's Forms & Resources page. In future webinars, the following aspects of the application process will be separately discussed in detail: Repayment Ability, Assets, and Other Eligibility Requirements.

Contact information can be found at https://www.rd.usda.gov/contact-us/state-offices.

Finally, please note that the contents of this webinar are current as of this presentation's revision date. Please refer to Handbook-1-3550 for the most recent program guidance.