



Dear Borrower:

Rural Development is accepting applications from existing Single Family Housing (SFH) Direct (also called “Section 502”) and SFH Repair (also called “Section 504”) loan borrowers to refinance outstanding loans which have been in an approved COVID-19 payment moratorium and Section 502 self-help borrowers to refinance outstanding self-help loans which closed in Fiscal Year 2020 or 2021. If you are eligible, an American Rescue Plan Act (ARPA) refinance can help make your loan payment more affordable.

**To apply, the following forms must be completed, signed and returned to Rural Development:**

- **ARPA - Checklist of Items to Accompany the Uniform Residential Loan Application** (complete and return **all** applicable items)
- Form RD 410-4, **Uniform Residential Loan Application** (complete and return sections listed on the ARPA – Refinance Checklist of Items to Accompany the Uniform Residential Loan Application.)
- Form RD 3550-1, **Authorization to Release Information** (each household member 18 years of age or older must sign and date separate forms)
- Form RD 3550-4, **Employment and Asset Certification**
- **Calculating Recapture – Capital Improvements Credit**

**Additional information regarding the SFH Direct Home Loan program:**

- Working with a Loan Application Packager (Information for applying using Option 1)
- ARPA Fact Sheet
- SFH Subsidy Recapture Fact Sheet

Once your package is complete, you can submit it using one of the options below:

Option 1: Submit with help from a certified loan application packager. (See “Working with a Loan Application Packager,” included in this package.)

Option 2: Submit directly to a local Rural Development office. To locate your closest RD office, visit <https://www.rd.usda.gov/about-rd/state-offices>.

**IMPORTANT:** Your application is considered incomplete if required information or signature(s) are missing. We will ask you to provide the missing items.

**Minimum Requirement:** Adjusted annual household income for Single Family Housing loan borrowers must be at or below the applicable moderate income limit for the area. For Home Repair loan borrowers, adjusted annual household income must be at or below the very-low income limit for the area. Income limits are available at this link: <https://go.usa.gov/xteWE>.

If your loan is delinquent, you may still be eligible for refinancing. Please contact your local Rural Development office for more details.

With the exception of deceased individuals, all borrowers on the existing Single Family Housing Direct loan or Home Repair loan debt must remain on the refinance. If a borrower wishes to be released from liability on the existing loan (and not be a party to the refinance loan) they must first apply to the Servicing and Asset Management Office for a release of liability from the existing loan before the remaining borrower applies for the refinance. However, if a co-borrower does not live in the home and is not willing to apply for a release of liability, documentation (e.g., a quit claim deed) that the departing borrower's interest in the security property has been conveyed to the remaining borrower must be obtained in order to proceed without including the departing borrower on the refinance loan. As a reminder, conveying the security interest (e.g., quit claim deed), or a divorce decree or other form of property settlement agreement, does not release the borrower from liability. See page 5 of the New Homeowner Information Guide (PDF available at this link: <https://go.usa.gov/xteWn>) for a list of Servicing and Asset Management Office contacts.

We recognize the COVID-19 pandemic will have a lasting impact on our borrowers. Rural Development is committed to helping you continue to be a successful homeowner.

If you have questions or concerns, contact your local Rural Development office. A list is available at this link: <https://go.usa.gov/xteWv>.



American Rescue Plan Act (ARPA) Refinance  
 Checklist of items to accompany the Uniform Residential Loan Application

<b>Return this completed checklist along with all applicable items</b>	
	<p><b>Form RD 410-4: Uniform Residential Loan Application</b>            Link: <a href="https://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/RD410-4.PDF">https://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/RD410-4.PDF</a>            Provide all applicable information, details, and data for the following sections:            Section III. APPLICANT INFORMATION (Page 1 of 10)            Section IV. EMPLOYMENT INFORMATION (Page 2 of 10)            Section V. MONTHLY INCOME AND COMBINED HOUSING EXPENSE INFORMATION (Page 2 of 10)            Section VI. ASSETS (Page 3 of 10. Do not complete the Liabilities information within this section)            Section VIII. DECLARATIONS (Page 4 of 10)            Section IX. ACKNOWLEDGMENT AND AGREEMENT – Sign and date (Page 5 of 10)            Section X. INFORMATION FOR GOVERNMENT MONITORING PURPOSES (Page 5 of 10)            Additional Information Required for RHS Assistance (only complete items with an asterisk) (Page 6 of 10)            Sign and date (Page 8 of 10)</p>
	<p><b>Form 3550-1: Authorization to Release Information</b>            Each adult member of the household must sign and date a separate release form.</p>
	<p><b>Verification of identity</b>            You must provide a copy of your government-issued photo identification (ID), and include evidence of your age. Standard ID verifications include a valid driver’s license or U.S. passport. If you do not have these standard verifications, contact us to discuss possible alternatives.</p>
	<p><b>Form RD 3550-4: Employment and Asset Certification</b>            You must check the appropriate blocks and account for all adult household members’ employment and nonretirement assets as instructed, then sign and date the certificate.</p>
	<p><b>Income Documentation:</b>            Submit your most recent signed federal income tax return, including all W-2s, 1099s, and all applicable schedules. If filed electronically, include a copy of the signature page with the self-select PIN, confirmation the return was accepted, or evidence it was filed by an authorized E-File provider. NOTE: If you are self-employed or are seasonally employed, submit your last two signed federal income tax returns and schedules.            The last four consecutive weeks of pay stubs for <b>all employed adult household members</b>.            Recent benefit statements demonstrating regular unearned income for <b>all household members</b> who receive:                Social Security or Supplemental Security Income                Public assistance                Retirement (recent retirement fund statements covering at least a two-month period)                Any other type of regular unearned income            The most recent 12-month payment history of alimony and / or child support received by <b>all adult household members</b> as provided by the court-appointed entity responsible for handling payments. If this is not available, provide a copy of the separation agreement or divorce decree.</p>
	<p><b>Two most recent brokerage or bank statements for all household members</b>            Excludes tax-advantaged plans for education, health and medical, and retirement. If you get this information online, you must provide printed statements, not just online transaction histories.</p>
	<p><b>School transcripts for household member(s) ages 18 or older who are full-time students</b></p>
	<p><b>Written evidence of child care expenses for dependents ages 12 years or younger</b></p>
	<p>If you are 62 years of age or older, are disabled, or have a disabled household member and wish to be considered for a deduction to household income, provide evidence of unreimbursed annual medical expenses.</p>



American Rescue Plan Act (ARPA) Refinance  
 Checklist of items to accompany the Uniform Residential Loan Application

**Return this completed checklist along with all applicable items**

	<p>List other creditors who have a lien against the property:          Creditor name: _____ Amount of lien: _____          _____          _____</p>
<p><b>Calculating Recapture - Capital Improvements Credit Notification</b></p>	
	<p><b>Are there any major property deficiencies that require repair?</b> <span style="float: right;"><b>Yes</b>   <b>No</b></span>  <b>If yes, please describe:</b></p> <p>* In limited circumstances, (for example, to correct health and safety hazards) additional loan funds may be requested to repair major property deficiencies.</p>
	<p>Provide your personal email address(es) below if you authorize Rural Development to contact you via email.  <b>Note:</b> USDA password protects emails containing personally-identifiable information (PII).</p> <p>_____</p>



Dear Borrower:

**Subject: Calculating Recapture – Capital Improvements Credit**

You are applying to refinance your existing Section 502 direct loan. Payment assistance, also known as subsidy, is granted to eligible borrowers, and borrowers sign Form 3550-12, Subsidy Repayment Agreement at loan closing. If a borrower pays off the principal and interest of their loan, either through the normal course of repayment or through a refinance, and continues to occupy the property, the subsidy recapture amount owed must be calculated. Please refer to the Subsidy Recapture Fact Sheet included with this application packet for more information.

What are the next steps?

As part of the refinance application process, your property's market value will be determined by an appraisal, or the most current assessor or tax records, which is then used to calculate the amount of subsidy recapture owed. You will **not** be charged for an appraisal if one is obtained. Once that subsidy recapture is determined, you will have the option to either include the subsidy recapture in the refinance of your loan or defer repayment of that amount until you transfer title or cease to occupy the property in the future. The maximum amount of subsidy recapture which must be repaid is the lesser of the total dollar amount of subsidy received, or 50 percent of the property's value appreciation. Value appreciation is based in part on the difference between: (1) the market value of the property at the time of loan payoff; and (2) certain capital improvements (among other items).

What are Capital Improvements?

Capital improvements are additions that add to the value of the property above and beyond repairs that maintain the property in good condition. General maintenance and updating your home to keep it in good condition does not qualify as a capital improvement. You can obtain credit for the "value" that the capital improvement added to your home, not the actual cost of the improvement. An appraiser must determine how much "value" is added.

- **Examples of capital improvements that are eligible for credit include:** Adding a garage, constructing an additional room, or adding a deck, patio, porch, fence, storm windows, skylights, outside lighting, or major landscaping.  
**Examples of activities that do not qualify for capital improvements credit include:** Yard maintenance, painting, wallpapering, replacing floor coverings such as carpets or linoleum, replacing the roof, siding, wells, septic systems, new or replacement appliances, furnaces, or water heaters.

**If you DO NOT have capital improvements,** please check the box here:

**If you do have capital improvements,** please check only one of the following boxes:

**I decline to receive credit for the value of the improvements.** As such, your property's market value will then typically be determined through the most current assessor or tax records which are publicly available. Market values determined by assessor or tax records are generally lower than market values determined by an appraisal. A lower market value may result in less recapture that is owed (than what the maximum amount received was), but depends on other factors such as prior liens, closing costs, etc.

**I want to receive credit for the value of the improvements.** You must complete the section below and return with your application. In order for the value of the improvements to be calculated, an appraisal will be ordered by the Agency. Given the demand for appraisals and the remoteness of some rural homes, obtaining an appraisal will typically add approximately 60 days to the processing timeframe. While appraisals typically result in higher market values than assessor or tax records, the value of eligible capital improvements can reduce the value appreciation of the property, which may result in less recapture that is owed (than what the maximum amount received was), but also depends on other factors such as prior liens, closing costs, etc.

Please list additions and/or improvements to your home that you wish to be considered.  
Provide a brief description of the capital improvement and the date the work was completed. Rural Development will determine the eligible improvements based on Agency guidelines.  
Improvements to be considered: *(Example: built a 10' x 12' deck in July 2010)*

**I certify that the information submitted in this form is true and correct to the best of my knowledge.**

**Borrower Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Borrower Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Property Address:** \_\_\_\_\_

**Phone:** \_\_\_\_\_ **Best time to contact you:** \_\_\_\_\_



## Working with a Loan Application Packager

### What is a loan application packager?

A loan application packager offers an optional service to help navigate the refinance loan application process. A packager can help determine if the refinance is a good fit and, if so, help assemble a complete loan application package. Generally, a fee is charged for their service.

While loan application packaging fees can be included in your Single Family Housing Direct loan, it's important to note packagers do not work for – or represent – USDA Rural Development.

An “intermediary” is an affordable housing nonprofit, public agency, or state housing finance agency approved by Rural Development to perform quality assurance reviews on loan application packages prepared by certified packagers through their qualified employers. Eligible loan application packagers can either work with – or without – an approved intermediary. Loan packagers who work with an approved intermediary receive priority application processing.

### How do I get started?

For help finding a loan application packager in your area, you can:

1. Contact your local Rural Development office for a complete list of local packagers in your area (A list of USDA Service Center state and county locations is available at this link: <https://go.usa.gov/xt4Jb>)
2. Contact an approved intermediary from the list available at this link: <https://go.usa.gov/xteZS> (PDF).

# APPLICATION FOR RURAL ASSISTANCE (NONFARM TRACT) Uniform Residential Loan Application

This application is designed to be completed by the applicant with the lender's assistance. Applicants should complete this form as "Applicant #1" or "Applicant #2", as applicable. All Applicants must provide information (and the appropriate box checked) when  the income or assets of a person other than the "Applicant" (including the Applicant's spouse) will be used as a basis for loan qualification or  the income or assets of the Applicant's spouse will not be used as a basis for loan qualification, but his or her liabilities must be considered because the Applicant resides in a community property state, the security property is located in a community property state, or the Applicant is relying on other property located in a community property state as a basis for repayment of the loan.

### I. TYPE OF MORTGAGE AND TERMS OF LOAN

Mortgage Applied for: <input type="checkbox"/> V.A. <input type="checkbox"/> Conventional <input type="checkbox"/> Other:	Agency Case Number	Lender Account Number
<input type="checkbox"/> FHA <input type="checkbox"/> USDA/Rural Housing Service		
Amount \$	Interest Rate %	No. of Months
	Amortization Type: <input type="checkbox"/> Fixed Rate <input type="checkbox"/> Other (Explain):	<input type="checkbox"/> GPM <input type="checkbox"/> ARM (Type):

### II. PROPERTY INFORMATION AND PURPOSE OF LOAN

Subject Property Address (Street, City, State, ZIP)		No. of Units
Legal Description of Subject Property (Attach description if necessary)		Year Built
Purpose of Loan <input type="checkbox"/> Purchase <input type="checkbox"/> Refinance <input type="checkbox"/> Construction <input type="checkbox"/> Construction-Permanent <input type="checkbox"/> Other (Explain):	Property will be: <input type="checkbox"/> Primary Residence <input type="checkbox"/> Secondary Residence <input type="checkbox"/> Investment	
<i>Complete this line if construction or construction-permanent loan.</i>		
Year Lot Acquired	Original Cost \$	Amount Existing Liens \$
	(a) Present Value of Lot \$	(b) Cost of Improvements \$
	Total (a + b) \$	
<i>Complete this line if this is a refinance loan.</i>		
Year Acquired	Original Cost \$	Amount Existing Liens \$
	Purpose of Refinance	Describe Improvements <input type="checkbox"/> Made <input type="checkbox"/> To be made
		Cost: \$
Title will be held in what Name(s)	Manner in which Title will be held	Estate will be held in: <input type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold (Show expiration date)
Source of Down Payment, Settlement Charges and/or Subordinate Financing (Explain)		

### III. APPLICANT INFORMATION

Applicant #1				Applicant #2			
Name (include Jr. or Sr. if applicable)				Name (include Jr. or Sr. if applicable)			
Social Security Number	Home Phone (Incl. Area Code)	DOB mm/dd/yy	Yrs. School	Social Security Number	Home Phone (Incl. Area Code)	DOB mm/dd/yy	Yrs. School
<input type="checkbox"/> Married <input type="checkbox"/> Unmarried (Include single divorced, widowed)	Dependents (Not listed by Applicant #2) No. Ages			<input type="checkbox"/> Married <input type="checkbox"/> Unmarried (Include single divorced, widowed)	Dependents (Not listed by Applicant #1) No. Ages		
Present Address (Street, City State, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs.				Present Address (Street, City, State, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs.			
Mailing Address if different from Present Address				Mailing Address if different from Present Address			
<i>If residing at present address for less than two years, complete the following:</i>							
Former Address (Street, City State, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs.				Former Address (Street, City, State, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs.			



**IV. EMPLOYMENT INFORMATION**

Applicant #1			Applicant #2		
Name & Address of Employer <input type="checkbox"/> Self-Employed	Yrs./Mos. on the job	Yrs./Mos. employed in this line of work/profession	Name & Address of Employer <input type="checkbox"/> Self-Employed	Yrs./Mos. on the job	Yrs./Mos. employed in this line of work/profession
Position/Title/Type of Business	Business Phone (Incl. Area Code)		Position/Title/Type of Business	Business Phone (Incl. Area Code)	
<i>If employed in current position for less than two years or if currently employed in more than one position, complete the following:</i>					
Name & Address of Employer <input type="checkbox"/> Self-Employed	Dates (From > To)		Name & Address of Employer <input type="checkbox"/> Self-Employed	Dates (From > To)	
	Monthly Income \$			Monthly Income \$	
Position/Title/Type of Business	Business Phone (Incl. Area Code)		Position/Title/Type of Business	Business Phone (Incl. Area Code)	
Name & Address of Employer <input type="checkbox"/> Self-Employed	Dates (From > To)		Name & Address of Employer <input type="checkbox"/> Self-Employed	Dates (From > To)	
	Monthly Income \$			Monthly Income \$	
Position/Title/Type of Business	Business Phone (Incl. Area Code)		Position/Title/Type of Business	Business Phone (Incl. Area Code)	

**V. MONTHLY INCOME AND COMBINED HOUSING EXPENSE INFORMATION**

Gross Monthly Income	Applicant #1	Applicant #2	Total	Combined Monthly Housing Expense	Present	Proposed
Base Empl. Income*	\$	\$	\$	Rent	\$	
Overtime				First Mortgage (P&I)		\$
Bonuses				Other Financing (P&I)		
Commissions				Hazard Insurance		
Dividends/Interest				Real Estate Taxes		
Net Rental Income				Mortgage Insurance		
Other (Before completing see the notice in "describe other income," below)				Homeowner Assn. Dues		
				Other		
<b>Total</b>	\$	\$	\$	<b>Total</b>	\$	\$

**\*Self Employed Applicant may be required to provide additional documentation such as tax returns and financial statements.**

**Describe Other Income** Notice: *Alimony, child support, or separate maintenance income need not be revealed if the Applicant #1, (A 1) or Applicant #2 (A2) does not choose to have it considered for repaying this loan.*

A1/A2	Describe Other Income	Monthly Amount

**VI. ASSETS AND LIABILITIES**

This Statement and any applicable supporting schedules may be completed jointly by both married and unmarried Applicants if their assets and liabilities are sufficiently joined so that the Statement can be meaningfully and fairly presented on a combined basis; otherwise separate Statements and Schedules are required. If the Applicant #2 section was completed about a spouse, this Statement and supporting schedules must be completed about that spouse also.

Completed  Jointly  Not Jointly

<b>ASSETS</b>		<b>Cash or Market Value</b>	<b>Liabilities and Pledged Assets.</b> List the creditor's name, address and account number for all outstanding debts, including automobile loans, revolving charge accounts, real estate loans, alimony, child support, stock pledges, etc. Use continuation sheet, if necessary. Indicate by (*) those liabilities which will be satisfied upon sale of real estate owned or upon refinancing of the subject property.		
Description			<b>LIABILITIES</b>	<b>Monthly Payment &amp; Months Left to Pay</b>	<b>Unpaid Balance</b>
Cash deposit toward purchase held by:	\$		Name and Address of Company	\$ Payment/Months	\$
<b>List checking and saving accounts below</b>			Acct. No.		
Name and Address of Bank, S&L, or Credit Union			Name and Address of Company	\$ Payment/Months	\$
Acct. No.	\$		Acct. No.		
Name and Address of Bank, S&L, or Credit Union			Name and Address of Company	\$ Payment/Months	\$
Acct. No.	\$		Acct. No.		
Name and Address of Bank, S&L, or Credit Union			Name and Address of Company	\$ Payment/Months	\$
Acct. No.	\$		Acct. No.		
Name and Address of Bank, S&L, or Credit Union			Name and Address of Company	\$ Payment/Months	\$
Acct. No.	\$		Acct. No.		
Name and Address of Bank, S&L, or Credit Union			Name and Address of Company	\$ Payment/Months	\$
Acct. No.	\$		Acct. No.		
Stocks & Bonds (Company name/number & description)	\$		Name and Address of Company	\$ Payment/Months	\$
	\$		Acct. No.		
	\$		Name and Address of Company	\$ Payment/Months	\$
	\$		Acct. No.		
Life insurance net cash value	\$		Name and Address of Company	\$ Payment/Months	\$
Face amount: \$			Acct. No.		
<b>Subtotal Liquid Assets</b>	\$		Name and Address of Company	\$ Payment/Months	\$
Real estate owned (Enter market value from schedule of real estate owned)	\$		Acct. No.		
Vested interest in retirement fund	\$		Name and Address of Company	\$ Payment/Months	\$
Net worth of business(es) owned (Attach financial statement)	\$		Acct. No.		
Automobiles owned (Make and year)	\$		Name and Address of Company	\$ Payment/Months	\$
	\$		Acct. No.		
	\$		Alimony/Child Support/Separate Maintenance Payments Owed to:	\$	
	\$		Job Related Expense (Child care, union dues, etc.)	\$	
	\$		<b>Total Monthly Payments</b>	\$	
Other Assets (Itemize)	\$				
	\$				
	\$				
	\$				
<b>Total Assets a.</b>	\$		<b>Net Worth (a minus b)</b>		
				<b>Total Liabilities b.</b>	\$

**VI. ASSETS AND LIABILITIES (cont.)**

**Schedule of Real Estate Owned** *(If additional properties are owned, use continuation sheet.)*

Properly Address <i>(Enter S if sold, PS if pending sale or R if rental being held for income)</i>	↓ ↓	Type of Property	Present Market Value	Amount of Mortgage & Liens	Gross Rental Income	Mortgage Payments	Insurance Maintenance Taxes & Misc.	Net Rental Income
			\$	\$	\$	\$	\$	\$
Totals			\$	\$	\$	\$	\$	\$

List any additional names under which credit has previously been received and indicate appropriate creditor name(s) and account number(s):

Alternative Name	Creditor Name	Account Number

VII. DETAILS OF TRANSACTION	VIII. DECLARATIONS																																																																																																												
a. Purchase price	<p><b>If you answer "Yes" to any questions a through i, please use continuation sheet for explanation.</b></p> <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2"></th> <th colspan="2" style="text-align:center;">Applicant #1</th> <th colspan="2" style="text-align:center;">Applicant #2</th> </tr> <tr> <th colspan="2"></th> <th style="text-align:center;">Yes</th> <th style="text-align:center;">No</th> <th style="text-align:center;">Yes</th> <th style="text-align:center;">No</th> </tr> </thead> <tbody> <tr> <td>a. Are there any outstanding judgments against you?</td> <td></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>b. Have you been declared bankrupt within the past 7 years?</td> <td></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>c. Have you had property foreclosed upon or given title or deed in lieu thereof in the last 7 years?</td> <td></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>d. Are you a party to a lawsuit?</td> <td></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>e. Have you directly or indirectly been obligated on any loan which resulted in foreclosure, transfer of title in lieu of foreclosure, or judgment? <i>(This would include such loans as home mortgage loans, SBA loans, home improvement loans, educational loans, manufactured (mobile) home loans, any mortgage, financial obligation, bond, or loan guarantee. If "Yes," provide details, including date, name, and address of Lender, FHA or V.A. case number, if any, and reasons for the action.)</i></td> <td></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>f. Are you presently delinquent or in default on any Federal debt or any other loan mortgage, financial obligation, bond, or loan guarantee? If "Yes," give details as described in question e. above.</td> <td></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>g. Are you obligated to pay alimony, child support, or separate maintenance?</td> <td></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>h. Is any part of the down payment borrowed?</td> <td></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>i. Are you a co-maker or endorser on a note?</td> <td></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>j. Are you a U.S. citizen?</td> <td></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>k. Are you a permanent resident alien?</td> <td></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>l. Do you intend to occupy the property as your primary residence? If "Yes," complete question m. below.</td> <td></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>m. Have you had ownership interest in a property in the last 3 years?</td> <td></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>n. PMI, MIP, Funding Fee financed</td> <td>(1) What type of property did you own-principal residence (PR), second home (SH), or investment property (IP)?</td> <td colspan="4">_____</td> </tr> <tr> <td>o. Loan amount <i>(Add m &amp; n)</i></td> <td>(2) How did you hold title to the home-solely by yourself (S), jointly with your spouse (SP), or jointly with another person (O)?</td> <td colspan="4">_____</td> </tr> <tr> <td>p. Cash from/to Borrower <i>(Subtract j, k, l, &amp; o from i)</i></td> <td></td> <td colspan="4">_____</td> </tr> </tbody> </table>			Applicant #1		Applicant #2				Yes	No	Yes	No	a. Are there any outstanding judgments against you?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b. Have you been declared bankrupt within the past 7 years?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	c. Have you had property foreclosed upon or given title or deed in lieu thereof in the last 7 years?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	d. Are you a party to a lawsuit?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	e. Have you directly or indirectly been obligated on any loan which resulted in foreclosure, transfer of title in lieu of foreclosure, or judgment? <i>(This would include such loans as home mortgage loans, SBA loans, home improvement loans, educational loans, manufactured (mobile) home loans, any mortgage, financial obligation, bond, or loan guarantee. If "Yes," provide details, including date, name, and address of Lender, FHA or V.A. case number, if any, and reasons for the action.)</i>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	f. Are you presently delinquent or in default on any Federal debt or any other loan mortgage, financial obligation, bond, or loan guarantee? If "Yes," give details as described in question e. above.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	g. Are you obligated to pay alimony, child support, or separate maintenance?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	h. Is any part of the down payment borrowed?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	i. Are you a co-maker or endorser on a note?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	j. Are you a U.S. citizen?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	k. Are you a permanent resident alien?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	l. Do you intend to occupy the property as your primary residence? If "Yes," complete question m. below.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	m. Have you had ownership interest in a property in the last 3 years?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	n. PMI, MIP, Funding Fee financed	(1) What type of property did you own-principal residence (PR), second home (SH), or investment property (IP)?	_____				o. Loan amount <i>(Add m &amp; n)</i>	(2) How did you hold title to the home-solely by yourself (S), jointly with your spouse (SP), or jointly with another person (O)?	_____				p. Cash from/to Borrower <i>(Subtract j, k, l, &amp; o from i)</i>		_____			
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p. Cash from/to Borrower <i>(Subtract j, k, l, &amp; o from i)</i>		_____																																																																																																											
b. Alterations, improvements, repairs																																																																																																													
c. Land <i>(If acquired separately)</i>																																																																																																													
d. Refinance <i>(incl. debts to be paid off)</i>																																																																																																													
e. Estimated prepaid items																																																																																																													
f. Estimated closing costs																																																																																																													
g. PMI, MIP, Funding Fee																																																																																																													
h. Discount <i>(If Borrower will pay)</i>																																																																																																													
i. Total Costs <i>(Add items a through h)</i>																																																																																																													
j. Subordinate financing																																																																																																													
k. Borrower's closing costs paid by Seller																																																																																																													
l. Other Credits <i>(Explain)</i>																																																																																																													
m. Loan amount <i>(Exclude PMI, MIP Funding Fee financed)</i>																																																																																																													

**IX. ACKNOWLEDGMENT AND AGREEMENT**

Each of the undersigned specifically represents to Lender and to Lender's actual or potential agents, brokers, processors, attorneys, insurers, services, successors and assigns and agrees and acknowledges that: (1) the information provided in this application is true and correct as of the date set forth opposite my signature and that any intentional or negligent misrepresentation of this information contained in this application may result in civil liability, including monetary damages, to any person who may suffer any loss due to reliance upon any misrepresentation that I have made on this application, and/or in criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Sec. 1001, et seq.; (2) the loan requested pursuant to this application (the "loan") will be secured by a mortgage or deed of trust on the property described herein, (3) the property will not be used for any illegal or prohibited purpose or use; (4) all statements made in this application are made for the purpose of obtaining a residential mortgage loan; (5) the property will be occupied as indicated herein; (6) any owner or servicer of the Loan may verify or reverify any information contained in the application from any source named in this application, and Lender, its successors or assigns may retain the original and/or an electronic record of this application, even if the Loan is not approved; (7) the Lender and its agents, brokers, insurers, servicers, successors and assigns may continuously rely on the information contained in the application, and I am obligated to amend and/or supplement the information provided in this application if any of the material facts that I have represented herein should change prior to closing of the Loan; (8) in the event that my payments on the Loan become delinquent, the owner or servicer of the Loan may, in addition to any other rights and remedies that it may have relating to such delinquency, report my name and account information to one or more consumer credit reporting agencies; (9) ownership of the Loan and/or administration of the Loan account may be transferred with such notice as may be required by law; (10) neither Lender nor its agents, brokers, insurers, servicers, successors or assigns has made any representation or warranty, express or implied, to me regarding the property or the condition or value of the property; and (11) my transmission of this application as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or my facsimile transmission of this application containing a facsimile of my signature, shall be as effective, enforceable and valid as if a paper version of this application were delivered containing my original written signature.

Applicant's Signature <b>X</b>	Date	Applicant's Signature <b>X</b>	Date
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**X. INFORMATION FOR GOVERNMENT MONITORING PURPOSES**

The following information is requested by the Federal Government for certain types of loans related to a dwelling in order to monitor the lender's compliance with equal credit opportunity, fair housing and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender may discriminate neither on the basis of this information, or on whether you choose to furnish it. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, under Federal regulations, this lender is required to note the information on the basis of visual observation or surname. If you do not wish to furnish the information, please check the box below. (Lender must review the above material to assure that the disclosures satisfy all requirements to which the lender is subject under applicable state law for the particular type of loan applied for.)

<b>BORROWER</b> <input type="checkbox"/> I do not wish to furnish this information	<b>CO-BORROWER</b> <input type="checkbox"/> I do not wish to furnish this information
Ethnicity: <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino	Ethnicity: <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino
Race <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White	Race <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White
Sex: <input type="checkbox"/> Female <input type="checkbox"/> Male	Sex: <input type="checkbox"/> Female <input type="checkbox"/> Male

<b>To be Completed by Interviewer</b> This application was taken by: <input type="checkbox"/> face-to-face interview <input type="checkbox"/> by mail <input type="checkbox"/> by telephone <input type="checkbox"/> Internet	Interviewer's Name (Print or type)		Name and Address of Interviewer's Employer
	Interviewer's Signature	Date	
	Interviewer's Phone Number (Incl. Area Code)		

**Continuation For/Residential Loan Application**

Use if you need more space to complete the Residential Loan Application Mark A1 for Applicant #1 or A2 for Applicant #2	Applicant #1 (A1)	Agency Account Number:
	Applicant #2 (A2)	Lender Account Number:

# Additional Information Required for RHS Assistance

1. Loan Type: Section 502  Section 504 Loan  Grant

## APPLICANT #1

2. Have you ever obtained a loan/grant from RHS?

Yes  No

4. Are you a relative to an RHS Employee or Closing agent/attorney?

Yes  No

If yes, who? \_\_\_\_\_

Relationship \_\_\_\_\_

6. Are you a Veteran? Yes  No

## APPLICANT #2

3. Have you ever obtained a loan/grant from RHS?

Yes  No

5. Are you a relative to an RHS Employee or Closing agent/attorney?

Yes  No

If yes, who? \_\_\_\_\_

Relationship \_\_\_\_\_

7. Are you a Veteran? Yes  No

8. Complete for all household members.

To be considered eligible for RHS assistance, all household income including any income not shown in Section V of this application, must be disclosed below:

Name	Age	Are you a full time student? y/n	Do you want to be considered for an adjustment from household income because of a disabling condition? y/n	Annual Wage Income	Source of Wage Income (employer)	Annual Non-Wage Income	Source of Non-Wage Income (social security, alimony, child support, separate maintenance, etc.)

9. Child Care (*Minors who are 12 years of age or under for whom you have to hire a babysitter or leave at a child care center*)

Cost per week \$ \_\_\_\_\_ Cost per month \$ \_\_\_\_\_

10. Name, Address and Telephone No. of Child care Provider(s).

11. Characteristics of Present Housing

Does the Dwelling:

Lack complete plumbing

Yes

No

Physically deteriorated or structurally unsound

Yes

No

Lack adequate heating

Yes

No

Overcrowded (More than 2 persons per room)

Yes

No

12. Name, Address and Telephone Number of Present Landlord.

If residing at present address for less than two years, complete the following:

Name, Address and Telephone Number of Previous Landlord(s).

13. (*For Section 504 Grants Only*) I certify that as the condition of the grant, I/we will not engage in unlawful manufacture, distribution, dispensing, possession or use of a controlled substance in conducting any activity with the grant.

14. I am aware RHS does not warrant the condition or value of the property.

15. Notices to Applicant

**Privacy Act. See attached sheet.**

**Social Security Number.** The Debt Collection Act of 1982, Pub. L. 97-365, and 31 U.S.C. 7701(c) require persons applying for a federally insured or guaranteed loan to furnish his or her social security number (SSN). Failure to provide your SSN will result in the rejection of your application.

**Right to Request Copy of Appraisal.** You have the right to a copy of the appraisal report used in connection with your application for credit. If you wish a copy, please write us at the address of the Rural Development Field Office where you made application. In your written request, you must provide us with the complete name and address used when making application as well as a current mailing address. We must hear from you no later than 90 days after we notify you about the action taken on your credit application or you withdraw your application. The creditor, Rural Housing Service, may require you to reimburse the Agency for the cost of the appraisal.

**Right to Financial Privacy Act of 1978,** 12 U.S.C. 3401, et seq. You authorize RHS to have access to financial records held by financial institutions in connection with the consideration or administration of assistance to you. Financial records involving your 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 without your consent except as required or permitted by law.

**Federal collection policies for consumer debts:** Delinquencies, defaults, foreclosures and abuses of mortgage loans involving programs of the Federal Government can be costly and detrimental to your credit, now and in the future. The Federal Government, as mortgage lender in this transaction, its agencies, agents and assigns, are authorized to take any and all of the following actions in the event loan payments become delinquent on the mortgage loan covered by this application: (1) Report your name and account information to a credit bureau; (2) Assess additional interest and penalty charges for the period of time that payment is not made; (3) Assess charges to cover additional administrative costs incurred by the Government to service your account; (4) Offset amounts owed to you under other Federal programs, (5) Refer your account to a private attorney, the United States Department of Justice, a collection agency, or mortgage servicing agency to collect the amount due, and foreclose the mortgage, sell the property, and seek judgment against you for any deficiency; (6) If you are a current or retired Federal employee, take action to offset your salary, or civil service retirement benefits; (7) Refer your debt to the Internal Revenue Service for offset against any amount owed to you as an income tax refund; and (8) Report any resulting written-off debt of yours to the Internal Revenue Service as your taxable income. All of these actions can and will be used to recover any debts owed when it is determined to be in the interest of the lender and/or Federal Government to do so.

**Unlawful Discrimination.** "The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, or marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer."

The Fair Housing Act prohibits discrimination in real estate-related transactions, or in the terms or conditions of such a transaction, because of race, color, religion, sex, disability, familial status, or national origin. If you believe you have been discriminated against for any of these reasons you can write the U. S. Department of Housing and Urban Development, Washington, D.C. 20410 or call (800) 669-9777.

**Certification.** As the applicant, I certify to the best of my knowledge and belief: (1) I am not presently debarred, suspended, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency; (2) I have not within a three year period preceding this proposal been convicted or had a civil judgment rendered against me for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) transaction or contract under a public transaction; or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statement, or receiving stolen property; (3) I am not a judgment debtor on an outstanding judgment in favor of the United States which was obtained in any Federal court other than the United States Tax Court; and (4) I am not delinquent on any outstanding debt to the Federal Government (including any Federal agency or department).

**The Federal Equal Credit Opportunity Act** prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, sex, disability, familial status, national origin, marital status, age (provided the borrower has the capacity to enter into a binding contract), because all or a part of the applicant's income derives from any public assistance program, or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. If you believe you were denied a loan for this reason, you should contact the Federal Trade Commission, Washington, DC. 20580.

16. I AM unable to provide the housing I need on my own account, and I am unable to secure the credit necessary for this purpose from other sources upon terms and conditions which I can reasonably fulfill. I certify that the statements made by me in this application are true, complete to the best of my knowledge and belief and are made in good faith to obtain a loan.

**SECTION 1001 OF TITLE 18, UNITED STATES CODE PROVIDES: "WHOEVER, IN ANY MATTER WITHIN THE JURISDICTION OF ANY DEPARTMENT OR AGENCY OF THE UNITED STATES KNOWINGLY AND WILLFULLY FALSIFIES, CONCEALS OR COVERS UP BY ANY TRICK, SCHEME, OR DEVICE A MATERIAL FACT, OR MAKES ANY FALSE, FICTITIOUS OR FRAUDULENT STATEMENTS OR REPRESENTATIONS, OR MAKES OR USES ANY FALSE WRITING OR DOCUMENT KNOWING THE SAME TO CONTAIN ANY FALSE, FICTITIOUS OR FRAUDULENT STATEMENT OR ENTRY, SHALL BE FINED UNDER THIS TITLE OR IMPRISONED NOT MORE THAN FIVE YEARS, OR BOTH."**

NOTE TO APPLICANT: IF ANY INFORMATION ON THIS APPLICATION IS FOUND TO BE FALSE OR INCOMPLETE, SUCH FINDING, IN ADDITION TO POSSIBLE LIABILITY UNDER CIVIL AND CRIMINAL STATUS, MAY BE GROUNDS FOR DENIAL FOR THE REQUESTED CREDIT AND MAY BE A BASIS FOR DEBARMENT FROM PARTICIPATION IN ALL FEDERAL PROGRAMS UNDER 7 C.F.R. PART 3017.

Date \_\_\_\_\_ Signature of Applicant \_\_\_\_\_  
**X**  
Date \_\_\_\_\_ Signature of Applicant \_\_\_\_\_  
**X**

17. Date	Signature of Loan Approval Official	Determination of Eligibility _____ Eligible _____ Not Eligible	Racial Data Provided by _____ Applicant _____ RHS
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18. Application received on \_\_\_\_\_ .  
Application completed on \_\_\_\_\_ .

19. Credit Report Fee

Date Received: \_\_\_\_\_ Amount Received: \$ \_\_\_\_\_  
Initial: \_\_\_\_\_

## 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 address, 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. 168a(f) or the Federal Claims Collection Act (31U.S.C. 3701(a)(3)).

**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

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*RHS Is An Equal Opportunity Lender*

SEE ATTACHED PRIVACY ACT NOTICE

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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 persecutive 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. 168a(f) or the Federal Claims Collection Act (31 U.S.C. 3701(a)(3)).

**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.

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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.

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Your prompt reply is appreciated.

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Signature (*Applicant or Adult Household Member*)

\_\_\_\_\_  
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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.
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United States Department of Agriculture  
Rural Housing Service

**EMPLOYMENT AND ASSET CERTIFICATION**

**EMPLOYMENT CERTIFICATION**

Check the appropriate blocks and account for all adult household members by listing their or your name under the applicable statement:

- I hereby certify that the following adult household members are not presently employed and do not intend to resume employment in the foreseeable future:


- I hereby certify that the following adult household members are not presently employed but are actively seeking employment. I agree to notify RHS immediately when they become reemployed:


- I hereby certify that the following adult household members are currently employed. I agree to notify RHS should their employment status change:


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## ASSET CERTIFICATION

I hereby certify that all nonretirement assets of all household members (adults and children) are listed below. Nonretirement assets include, but are not limited to, savings accounts, stocks, bonds, Treasury bills, savings certifications, money market funds, investment accounts, equity in real property, revocable trust funds that are available to the household, lump-sum receipts, and personal property held as an investment.

The nonretirement asset levels are as follows:

Household Member	Nonretirement Asset(s) Total (in \$)

\_\_\_\_\_  
APPLICANT

\_\_\_\_\_  
DATE

\_\_\_\_\_  
APPLICANT

\_\_\_\_\_  
DATE

\_\_\_\_\_  
APPLICANT

\_\_\_\_\_  
DATE

<p>SECTION 1001 OF TITLE 18, UNITED STATES CODE PROVIDES: "WHOEVER, IN ANY MATTER WITHIN THE JURISDICTION OF ANY DEPARTMENT OR AGENCY OF THE UNITED STATES KNOWINGLY AND WILLFULLY FALSIFIES, CONCEALS OR COVERS UP BY ANY TRICK, SCHEME, OR DEVICE A MATERIAL FACT, OR MAKES ANY FALSE, FICTITIOUS OR FRAUDULENT STATEMENTS OR REPRESENTATIONS, OR MAKES OR USES ANY FALSE WRITING OR DOCUMENT KNOWING THE SAME TO CONTAIN ANY FALSE, FICTITIOUS OR FRAUDULENT STATEMENT OR ENTRY, SHALL BE FINED UNDER THIS TITLE OR IMPRISONED NOT MORE THAN FIVE YEARS, OR BOTH."</p>
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# American Rescue Plan Act of 2021

## What does this program do?

**The American Rescue Plan Act (ARPA) of 2021 provides additional funds for USDA Rural Development's Single Family Housing Direct Loan program. ARPA funding is available through September 30, 2023.**

**The ARPA's primary focus is to help existing Single Family Housing Direct borrowers who have been approved for COVID-19-related payment moratoriums (a period during which their monthly loan repayments were stopped) refinance their mortgages. The Deferred Mortgage Payments (DMP) program is available to Single Family Housing Direct very low-income self-help borrowers whose loan closed in Fiscal Year (FY) 2020 or later.**

**The goal is to help ensure USDA borrowers' payments stay affordable once the moratorium period ends.**

### Who is eligible?

Rural Development will accept applications from existing Single Family Housing Direct loan borrowers – including customers with home repair loans – to refinance loans which have been in an approved COVID-19 moratorium.

For Single Family Housing Direct loan borrowers, the adjusted household income must be at or below moderate income limits for the area. For Home Repair loan borrowers, the adjusted household income must be at or below the very-low income limit for the area.

For Self-Help program borrowers with permanent loans that closed in FY 2020 or later – regardless of moratorium status – the adjusted household income must be at or below the low income limit for the area to be eligible to apply for a refinance. Additionally, for Self-Help program borrowers with loans that closed FY 2020 or later – regardless of moratorium status – the adjusted household income limit must be at or below the very-low income limit for the area to be eligible for the Deferred Mortgage Payment program available through ARPA refinance funding.

Income limits can be found at this link: <https://tinyurl.com/mt7pmj> (PDF)

With the exception of delinquent federal debt, Single Family Housing Direct loan borrowers applying for refinancing will not be subject to credit analysis, standard repayment ratio requirements, asset limits, or customary program standards related to the condition of the property.

### What terms are available?

- For Single Family Housing Direct borrowers, a 10-, 25-, 30-, or 33- year term may be used. In limited circumstances, a 38-year term may be offered.
- For Home Repair borrowers, a 20-year term is available.

### What are the possible benefits to refinancing?

For Single Family Direct Loan borrowers, a lower interest rate and term extension can help reduce the loan payment, making it more affordable.

For Self-Help program borrowers, the Deferred Mortgage Payment program allows for up to 25 percent of a borrower's monthly principal and interest payment at 1 percent to be deferred for up to 15 years.

### Is there any cost to the borrower?

Closing costs (fees associated with the real estate transaction) can be included in the loan. A new escrow account will be established in the origination of the ARPA refinance. If your existing loan does not have an escrow account, you will be responsible for the cost of getting a hazard insurance policy, which can be included in the loan.

### What can be included in the refinance?

- Debt to USDA Rural Development. Under certain conditions, this includes Single Family Housing

subsidy recapture. Additional information about subsidy recapture is available at this link: <https://tinyurl.com/3k2nvy7h> (PDF)

- In limited circumstances, liens not associated with debt to the Single Family Housing Direct loan program
- In limited circumstances, repairs to correct major health and safety concerns in the home
- Closing costs
- A Rural Development-authorized loan packaging fee

#### What do I need to do next?

- Existing Single Family Housing Direct loan borrowers can visit <https://tinyurl.com/4avfcxw> to download an application package. You also can contact your local office to request an application or get more information. A list of state office locations is available at this link: <https://tinyurl.com/5yuf24mx>.
- If you have questions about your existing loan – including its re-amortization or subsidy recapture—contact the Customer Service Center (CSC) at 1-800-414-1226.

#### Where can I find more information?

- Borrowers can visit the USDA Rural Development Single Family Housing American Rescue Plan Act (ARPA) webpage (available at this link: <https://go.usa.gov/xteKW>) to learn how ARPA might be able to help.
- To view the internal Rural Development implementation guidance associated with this program, visit: <https://tinyurl.com/2d388a5b>
- You will find additional forms, resources, and program information at this link: <https://tinyurl.com/2p922f2s>
- Your local Rural Housing Program staff is always a great resource. Our state-based office locations can be found at this link: <https://tinyurl.com/5yuf24mx>.

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**NOTE: Because information is subject to change, always consult official program instructions or contact your local Rural Development office for help. You will find additional resources, forms, and program information at <https://rd.usda.gov>. USDA is an equal opportunity provider, employer, and lender.**

# Subsidy Recapture Single Family Housing (Direct Loans)

## What is subsidy recapture?

**Payment assistance – also called “subsidy” – is offered to eligible homeowners with USDA Rural Development Single Family Housing Direct-financed mortgages. This assistance reduces eligible customers’ required monthly payments based on their household income. At loan closing, borrowers sign a subsidy repayment agreement which defines their loan repayment terms, including the circumstances under which all – or a portion of – the subsidy must be repaid (known as “subsidy recapture.”)**

### **How do I know if I will have to pay subsidy recapture?**

If you have ever received payment subsidy, the subsidy is subject to recapture.

The mortgage or deed of trust on a property categorizes the subsidy as a lien against that property. The lien will not be released - and that means the property cannot be sold - until subsidy recapture is paid in full.

### **When is subsidy recapture repaid?**

The borrower must pay subsidy recapture when they:

- Sell the property
- No longer live on the property (NOTE: Subsidy is also recaptured following the death of a borrower.)
- Pay the loan in full
  - If a borrower pays their loan in full and continues to occupy the property, subsidy recapture can be deferred until they move or transfer the property title to someone else.
  - As an incentive to encourage early repayment, Rural Development will offer eligible borrowers a 25-percent discount on their subsidy recapture if it is repaid at the same time the loan itself is paid in full.
  - In the event of a loan default (a foreclosure or deed in lieu of foreclosure) the amount of subsidy recapture due is equal to the amount of subsidy received over the life of the loan.

- In certain circumstances, the subsidy recapture amount may be refinanced. Call the Servicing and Asset Management Office (hereafter: Servicing Office) at 800-414-1226 to learn more about this possible option.

### **How is subsidy recapture calculated?**

Under the current formula, the maximum subsidy recapture amount is calculated at 50 percent of the property’s value appreciation or the total dollar amount of subsidy the borrower received – whichever is less.

Other factors – such as the loan term, average interest rate, percentage of outstanding balance(s) on other open loans, and whether other loans subject to recapture are being paid off – also are considered when the subsidy capture is calculated.

### **How can I find out how much subsidy recapture I must repay?**

You can get a verbal loan payoff estimate – including subsidy recapture – by calling USDA Rural Development’s Servicing Office Interactive Voice Response system at (800) 414-1226. Choose the “payoff information” option. Be ready to provide an estimate of the current market value of the property, along with an estimate of any closing costs that may be result from selling or refinancing.

A sample subsidy recapture worksheet is available at this link: <https://go.usa.gov/xtTke>.

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# Single Family Housing Subsidy Recapture (Direct Loans) Worksheet

## Subsidy Recapture Example – Sale of Home

<b>Part 1. Calculating Value Appreciation</b>		<b>Amount</b>
1	Current market value of property	\$200,000.00
2	(less) Original amounts of prior liens and subordinate affordable housing products	\$2,000.00
3	(less) Rural Development (RD) loans being paid off	\$150,000.00
4	(less) Equity recapture due from Farm Program (FP) loan	\$0.00
5	(less) Closing costs	\$5,500.00
6	(less) Principal reduction (note rate) on RD loan being paid off	\$1,200.00
7	(less) Principal Reduction Attributed to Subsidy (PRAS) on loan being paid off	\$0.00
8	(less) Original equity	\$0.00
9	(less) Capital improvement credit	\$0.00
10	Value appreciation (Line 1 minus the total of Lines 2–9) <b>(If \$0 or less, enter \$0 and complete Part II; if more than \$0, complete Part III.)</b>	\$41,300.00
<b>Part II. Amount Due if There is No Value Appreciation</b>		<b>Amount</b>
11	Rural Development loans being paid off (Line 3)	n/a
12	Equity recapture from FP loan to be collected	n/a
13	PRAS to be collected	n/a
14	Amount due (Lines 11 + 12 + 13) <b>(If negative, stop here. If positive continue to Part III.)</b>	n/a
<b>Part III. Percentage of Total Debt Subject to Recapture to be Paid Off</b>		<b>Amount</b>
15	Rural Development loans being paid off which are subject to recapture (Line 3)	\$150,000.00
16	Outstanding balance of all RD loans and the balance of prior non-RD liens and subordinate affordable housing products being paid off [In this example, at the time of payoff, the prior non-RD liens and subordinate affordable housing products were already paid in full.]	\$150,000.00
17	RD loans being paid off as a percentage of all mortgage loans (Line 15/Line 16)	100.00%
<b>Part IV. Value Appreciation Subject to Recapture</b>		<b>Amount</b>
18	Amount of value appreciation attributable to loans subject to recapture (Line 10; or if Part III was completed, Line 10 × Line 17)	\$41,300.00
19	Recapture percentage (the lesser of 50% or the percentage contained in the Subsidy Recapture Agreement) [For the purposes of this example, 50% is used.]	50.00%
20	Value appreciation reduced by recapture percentage (Line 18 × Line 19)	\$20,650.00
21	Percentage of original equity (from Subsidy Repayment Agreement)	0.00%
22	Value appreciation, reduced by recapture percentage, attributable to original equity (Line 20 × Line 21)	\$0.00
23	Value appreciation subject to recapture (Line 20 – Line 22)	\$20,650.00
<b>Part V. Amount Due if There is Value Appreciation</b>		<b>Amount</b>
24	Amount of payment subsidy received	\$30,000.00
25	Recapture amount (Line 7 + the lesser of Line 23 or Line 24)	\$20,650.00
26	Discounted recapture amount, if applicable (Line 25 × 75%)	n/a
<b>27</b>	<b>Final payoff amount (Line 3 + Line 4 + Line 25 or Line 26 as appropriate)</b>	<b>\$170,650.00</b>

**NOTE: Because information is subject to change, always consult official program instructions or contact your local Rural Development office for help. You will find additional resources, forms, and program information at [rd.usda.gov](http://rd.usda.gov). USDA is an equal opportunity provider, employer, and lender.**