

RURAL HOUSING AUTHORITY – COUNTY LOAN PROGRAM GUIDELINES

Areas Included:

Applies to the entire county, including the City of Superior.

Loan Purpose:

Loans (no grants) for the replacement of failing wells, private sewage systems (as defined by State Statutes) and public sewer connections for existing principal dwellings (as defined by State Statutes).

Sewer connections (laterals) do not include main/interceptor construction or extensions.

Emergency needs and financial hardships will be determined by the Rural Housing Authority.

These funds may also be used for the 25% down payment required for the Federal Loan Program, but only for the repair or replacement of failing wells and private sewage systems as noted above.

New developments / sites and land contracts do not qualify.

INCOME GUIDELINES (County Program*)

<u>Household Size</u>	<u>Maximum Income</u>
1	\$ 55,600
2	\$ 62,800
3	\$ 70,050
4	\$ 77,250
5	\$ 83,050
6	\$ 88,850
7	\$ 94,600
8+	\$ 100,400

*Based on current City of Superior Housing Ownership Opportunity Program (HOOP) with an income limit increase of \$5,000 for each category.

Income Guidelines:

Income guidelines follow the Housing Ownership Opportunity Program (HOOP) for low to moderate income households with an income limit increase of \$5,000.00 for each category.

A loan evaluation will take place midterm to assure the loan guidelines are being met. See income guideline chart.

Loan Amount:

Up to 100% of the total cost of improvements with a maximum loan amount of \$7,500.00. Any costs above the loan amount are the responsibility of the applicant(s).

Terms:

An annual interest rate of 1% (one percent) shall apply to all loans and be included in the monthly payment.

The loan period and monthly payments shall be based on the amount of the loan. Loans shall be processed as follows:

<u>Loan Amount</u>	<u>Length of Loan</u>	<u>Minimum Payment</u>
Up to \$ 950	Maximum 4 years	\$ 20 per month
\$ 951 to 2,500	Maximum 6 years	\$ 35 per month
\$ 2,501 to 4,700	Maximum 8 years	\$ 50 per month
\$ 4,701 to 7,500	Maximum 10 years	\$ 65 per month

Loans become payable **in full** if any one of the following occurs:

- Sale or transfer of the property or portion of the property
- Refinancing of existing mortgage(s), or acceptance of additional mortgage(s)
- Property transferred into a life estate
- Dwelling no longer being used as applicant's primary residence
- Any other circumstance spelled out in the "mortgage" and/or "note"

Taxes: Property taxes must be current during the loan period.

Insurance: Insurance is required on the dwelling during the loan period. Amount of insurance required shall cover loan amount and the Rural Housing Authority shall be listed as the primary beneficiary on the insurance policy.

CONTACT: Douglas County Planning & Zoning, Rural Housing Authority, 1313 Belknap Street, Rm 206, Superior, WI 54880 715-395-1380