A USDA Single Family Housing Repair Loans and Grants

Subtitle: An accessible application packet for Maine homeowners.

Published by the United States Department of Agriculture, Rural Development, Rural Housing Service.

Also known as the Section 504 Home Repair Program.

About this accessible version

This is an accessibility-formatted version of the USDA Section 504 Home Repair Loans and Grants application packet for Maine homeowners. It combines the program overview, application instructions, the intake form, the optional Third Party Authorization form, the credit eligibility indicators, and Maine-specific income limit data into a single document with proper heading navigation.

Important: this accessible Word document is for reading and reference only. To actually submit an application, you must use the original USDA forms, which require signatures and follow specific federal formatting. Obtain the original forms from the USDA Rural Development office in Bangor, Maine, listed in Part 9 of this document.

If you are also pursuing or considering the Section 502 Direct Home Purchase program, that has a separate accessible packet. The two programs are different, but they share the same Maine office, the same income limits, and the same credit eligibility criteria.

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Part 1: What this program does

The Section 504 Home Repair program, also known as the Single Family Housing Repair Loans and Grants program, provides two kinds of assistance to very-low-income homeowners in rural areas:

- Loans to repair, improve, or modernize their homes.
- Grants for elderly homeowners (age 62 or older) to remove health and safety hazards from their homes.

Loans versus grants

Loans and grants are different forms of assistance. A loan must be repaid; a grant does not have to be repaid as long as you continue to own and live in the home for at least three years.

- Loans can be used for general repairs, improvements, or modernization.
- Grants can only be used to remove health and safety hazards, such as faulty wiring, structural hazards, lack of safe water, or accessibility barriers for a household member with a disability.
- Loans and grants can be combined for the same project, up to a combined total of $50,000.

Part 2: Eligibility, program terms, and how much money is available

Who can apply

To qualify, you must:

- Be the homeowner and occupy the house as your primary residence.
- Be unable to obtain affordable credit elsewhere.
- Have a family income within the very-low-income limit for your county. The Maine very-low-income limits are in Part 8 of this document.
- For grants only: be age 62 or older.

What is an eligible area

Properties must be located in an eligible rural area. You can visit the USDA Income and Property Eligibility website for full details on which addresses qualify.

Income and property eligibility: https://go.usa.gov/xzcdM

How much money can you get

- The maximum loan amount is $40,000.
- The maximum grant amount is $10,000.
- If you are repairing a home damaged in a presidentially declared disaster area, the maximum grant is $15,000.
- Loans and grants can be combined for up to $50,000 in total assistance.

Terms of the loan or grant

- Loans are repaid over 20 years.
- The loan interest rate is fixed at one percent.
- Full title service is required for loans greater than $25,000.
- Grants have a lifetime limit of $10,000 per household, except in presidentially declared disaster areas where the lifetime limit is $15,000.

- Grants must be repaid if you sell the property in less than three years from receiving the grant.

Is there a deadline to apply

Applications are available year-round as long as funding is available, and are processed in the order they are received.

How long does an application take

Approval times depend on funding availability in your area. See Part 4 of this document for a note about current processing delays.

What governs this program

- The Housing Act of 1949, as amended. The federal regulations are in 7 CFR Part 3550.

7 CFR Part 3550: go.usa.gov/xzcvG

- Handbook HB-1-3550, the Direct Single Family Housing Program Field Office Handbook, available as a PDF at the link below.

Field Office Handbook (PDF): go.usa.gov/xzcvM

Part 3: How to apply

Two-step application process

Step 1: Complete the Pre-Screening Intake Form

Review and complete the 504 Home Repair Loan and Grant Program Intake Form, USDA Form RD 3550-35, to determine program eligibility. That form is described field-by-field in Part 5 of this document.

Step 2: Submit your form

Submit your completed Intake Form, along with your phone number, email address, and mailing address, to USDA Rural Development by email or mail.

Email submission: mailto:rd.me.sfh.applications@usda.gov

Or mail to the following address:

USDA Rural Development

Attention: SFH

1423 Broadway, Suite 3

Bangor, Maine 04401

Where to find a home loan specialist

For help with your application, you can talk with a state or area office-based USDA home loan specialist. A nationwide directory is available at the link below.

USDA home loan specialist directory: rd.usda.gov/browse-state

USDA Rural Development state offices list: tinyurl.com/RDStateOffices

Additional Rural Development program resources: rd.usda.gov

General questions about USDA programs and services: ask.usda.gov/s/

Part 4: Processing times and alternative options

Current processing situation

Demand for the 504 Home Repair program remains very high, and USDA Rural Development is working through a significant backlog of applications. Applicants should anticipate extended delays with no defined timeline for review. You may be asked to resubmit documentation periodically to maintain file accuracy.

Full details on the 504 Repair Loans and Grants Program in Maine:
tinyurl.com/ME504Program

Other Maine resources for home repair assistance

If you are looking for other housing repair resources, local Community Action Program agencies (often called CAP agencies) may provide additional assistance. You can find contact details for CAP agencies in Maine at the link below.

Community Action Program agencies in Maine:
tinyurl.com/MECAPcontacts

Part 5: The 504 Home Repair Loan and Grant Program Intake Form

About this form

This is USDA Form RD 3550-35, last revised March 2024. It is approved under Office of Management and Budget number 0575-0172, and the approval expires on November 30, 2026.

This is the main intake form for the 504 program. USDA estimates the form takes about 30 minutes to complete. All responses are voluntary, but you will need to provide them to be considered for the program.

Below is a field-by-field guide. You must submit the actual USDA form, not this description. Obtain the original form from the USDA Rural Development office listed in Part 9.

Section A: Household member table

The top of the form is a table with a row for each adult household member. Each row asks for the following:

- Field 1: Adult household member's name.
- Field 2: Social Security number. Required for potential applicants only, not for every household member.
- Field 3: Check all that apply. The checkboxes are: owner, full-time student, disabled, married, single, divorced or separated.
- Field 4: Birth date in month, day, four-digit year format.
- Field 5: Monthly gross employment income, before deductions for taxes, insurance, and other items.
- Field 6: Monthly gross income from other sources, such as child support, Social Security, retirement, and similar.

Section B: Dependents and household expenses

- Field 7: Names and ages of any dependents.
- Field 8: Monthly medical expenses, in dollars.
- Field 9: Monthly childcare expenses, in dollars.

- Field 10: Monthly debt payments, in dollars. This is the total of recurring debts such as credit cards and car payments.
- Field 11: Monthly mortgage payment, in dollars. Do not include taxes and insurance.
- Field 12: Annual property tax expense, in dollars.
- Field 13: Annual homeowner insurance expense, in dollars.

Section C: Assets

- Field 14: Estimated total value of retirement assets, in dollars. Examples include 401(k) and Individual Retirement Account balances.
- Field 15: Estimated total value of non-retirement assets, in dollars. Examples include checking and savings account balances.

Section D: Contact information

- Field 16: Contact phone number or numbers.
- Field 17: Email address or addresses.
- Field 18: Address of residence.
- Field 19: Mailing address, if different from the address of residence.

Section E: The repairs you need

- Field 20: List of repairs. A free-text field with several lines for describing the repairs you are seeking help with.
- Estimated cost of repairs, in dollars.

Where to submit

Return your completed form by email to rd.me.sfh.applications@usda.gov, or by mail to USDA Rural Development, Attention: SFH, 1423 Broadway, Suite 3, Bangor, Maine 04401.

A note from USDA about Paperwork Reduction

Under the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB

control number for this form is 0575-0172, which expires November 30, 2026. Questions about the time burden of this form can be sent to ICRMTRequests@usda.gov.

Part 6: The Third Party Authorization form

About this form

This form is optional. It allows you to authorize USDA Rural Development to discuss your loan or grant application with a specific third party of your choosing, such as a realtor, case manager, translator, or spouse.

What you are agreeing to

By signing this form, you waive certain provisions of the Privacy Act of 1974 to allow USDA to release to and discuss with the named parties any information obtained from USDA's records concerning your application for assistance.

The authorization is only valid for processing your request for a loan or grant through USDA. You may revoke it at any time by written, signed, and dated notice to the Rural Housing Service.

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

Fields you need to complete

For up to two authorized people, provide:

- Printed name of the person you authorize.
- Relationship to you (for example, realtor, case manager, translator, spouse).
- Email address.
- Phone number.

Then sign and date:

- Applicant signature and date.
- Co-applicant signature and date, if applicable.

Part 7: Indicators of unacceptable credit

A note about this section

The credit eligibility indicators below come from Exhibit 4-4 of the USDA Direct Single Family Housing Program Field Office Handbook. Although the handbook was originally written for the Section 502 Direct Home Loan program, Exhibit 4-4 applies by reference to Section 504 Home Repair Loans and Grants applicants as well. For that reason, the closing statement at the end of the exhibit refers to "Section 502 loans," but the same statutory rule about federal judgments applies equally to Section 504 applicants.

Threshold for eligibility

To be eligible for a Section 504 Home Repair loan or grant, applicants must demonstrate that they are reasonably able and willing to repay an Agency loan. An applicant's credit record does not have to be perfect. A few instances of credit problems can be acceptable if the overall credit record demonstrates an ability and willingness to repay obligations.

Important exception: 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 for a Section 504 loan or grant. This requirement is statutory and cannot be waived.

List of indicators (from Field Office Handbook Exhibit 4-4)

The following are considered indicators of unacceptable credit:

- Little or no credit history. This can be mitigated if the applicant can document a willingness to pay recurring debts through other acceptable means, such as third-party verifications or canceled checks. Note that third-party verifications from relatives of household members are not permissible, due to impartiality issues.
- Payments on any installment account where the amount of the delinquency exceeded one installment for more than 30 days within the last 12 months. This is evaluated on a per-account basis, not cumulatively.

- Payments on any revolving account that was delinquent for more than 30 days on two or more occasions within the last 12 months. This is also evaluated on a per-account basis.
- A foreclosure that has been completed within the last 36 months.
- An outstanding Internal Revenue Service tax lien, or any other outstanding tax liens, with no satisfactory arrangement for payment.
- Two or more rent or mortgage payments paid 30 or more days late within the last two years. If the applicant has experienced no other credit problems in the past two years, only one year of rent history will be evaluated. This requirement may be waived if the program loan will reduce shelter costs significantly and contribute to improved repayment ability.
- Outstanding collection accounts with a record of irregular payments and no satisfactory arrangements for repayment, or collection accounts that were paid in full within the last six months, unless the applicant had been making regular payments previously.
- Non-Agency debts written off within the last 36 months, unless the debt was paid in full at least 12 months ago.
- Agency debts that were debt-settled within the past 36 months or that are being considered for debt settlement.
- Delinquency on a federal debt.
- A court-created or court-affirmed obligation or judgment caused by nonpayment that is currently outstanding, or that has been outstanding within the last 12 months.

Exceptions to the court judgment indicator

The court-created obligation indicator above has the following exceptions:

- A bankruptcy in which debts were discharged more than 36 months prior to the date of application.
- A bankruptcy in which the applicant successfully completed a debt restructuring plan and has demonstrated a willingness to meet obligations when due for the 12 months prior to the date of application.
- A judgment satisfied more than 12 months before the date of application.

Final statutory note (handbook wording)

The exhibit closes with this statutory note, in its original wording from the 502 handbook: "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 for a Section 502 loan. This requirement is statutory and cannot be waived."

As noted at the top of this section, the same rule applies equally to Section 504 applicants by reference.

Part 8: Maine income limits by county. Fiscal Year 2025.

About this table

These are the USDA Rural Development adjusted income limits for Maine for Fiscal Year 2025, effective June 18, 2025. "Adjusted income" is used to determine whether an applicant is income-eligible. It is based on annual income, with deductions to account for varying household circumstances and expenses.

Which limits apply to the 504 program

Section 504 loans and grants are only available to very-low-income households. For this program, only the "Very Low Income" row in the table below is the eligibility threshold. The "Low Income" and "38 Year Term" rows apply only to the Section 502 Direct Loan program and are listed here for reference, since the same table is published for both programs.

How to read the table

Each county or metropolitan area shows three income limits:

- Very Low Income: the threshold for 504 program eligibility. This is the row to focus on.
- Low Income: a higher threshold that applies only to the Section 502 Direct Loan program.
- 38 Year Term: a threshold for the 38-year loan term option under the Section 502 program. Not applicable to 504.

Two columns show the limits for two household sizes:

- 1-4 person households.
- 5-8 person households.

For households of more than 8 persons, add 8 percent of the 4-person limit for each additional person.

Important ineligibility notes

The following municipalities are not in eligible rural areas. Income limits are still listed below for the surrounding county, but applicants in these cities cannot use the 504 program:

- Auburn and Lewiston (in Androscoggin County).
- Portland, South Portland, and Westbrook (in the Cumberland County MSA).
- Bangor (in the Penobscot County MSA).

Income limits table

County or metropolitan area	Income level	1-4 persons	5-8 persons
Androscog	Very Low	$42,700	$56,400

ginCounty(Non-MSAandMSA).IncludesDurham,Greene	come(504threshold)		

,Leeds,Lisbon,Livermore,LivermoreFalls,Mechani			

cFalls, Minot, Poland, Sabattus, Turner, andWales. A

uburnandLewistonareineligible.			
	Low Income (502 onl	$68,300	$90,200

	y)		
	38YearTerm(502only)	$51,250	$67,650
AroostookCounty,OxfordCou	VeryLowIncome(504threshol	$42,500	$56,100

nty, Penobscot County (Non-MSA), Piscataquis County	d)		

, Somerset County, and Washington County.			
	Low Income (	$68,000	$89,800

	502only)		
	38YearTerm(502only)	$51,000	$67,350
CumberlandCounty(No	VeryLowIncome(504th	$54,750	$72,300

n-MSA).	reshold)		
	Low Income (502 only)	$87,600	$115,650
	38 Year Term (502 only)	$65,700	$86,750

Cumberland County MSA including Cape Elizabeth, Casc	Very Low Income (50.4 threshold)	$64,900	$85,700

o, Chebeague Island, Cumberland, Falmouth, Freeport			

,Fryelsland,Gorham,Gray,Longlsland,NorthYarmou			

th, Raymond, Scarborough, Standish, Windham, and Yar			

mouth, plus York County MSA Buxton, Hollis, Limington			

, and Old Orchard Beach. Portland, South Portland, and			

Westbrookareineligible.			
	Lowlncome(502only)	$103,850	$137,100
	38Yea	$77,9	$102,

	rTerm(502only)	00	850
FranklinCounty.	VeryLowIncome(504threshold)	$43,200	$57,050
	LowIn	$69,1	$91,2

	come(502only)	00	50
	38YearTerm(502only)	$51,850	$68,450
HancockCounty.	VeryLowIncome(	$48,200	$63,650

	504threshold)		
	Lowlncome(502only)	$77,100	$1011,800
	38YearTerm(502o	$57,850	$76,400

	nly)		
KennebecCounty.	VeryLowIncome(504threshold)	$43,650	$57,650
	LowIncome(502on	$69,850	$92,250

	ly)		
	38YearTerm(502only)	$52,400	$69,200
KnoxCounty.	VeryLowIncome(504thresho	$50,000	$66,000

	ld)		
	LowIncome(502only)	$800,000	$105,600
	38YearTerm(502only)	$600,000	$79,200
Linco	VeryL	$49,3	$65,1

InCounty.	owIncome(504threshold)	50	50
	LowIncome(502only)	$78,950	$104,250
	38Year	$59,2	$78,1

	Term(502only)	00	50
PenobscotCountyMSAincludingBrewer	VeryLowIncome(504threshold)	$51,700	$68,250

, Eddington, Glenburn, Hampden, Hermon, Holden, Kend			

uskeag, Milford, Old Town, Crono, Crrington, Penobsc			

otlndianlslandReservation,andVeazie.Bangorisin			

eligible.			
	Low Income (502 only)	$82,700	$109,200
	38 Year Term (502 only)	$62,000	$81,900

Sagadahoc County.	Very Low Income (504 threshold)	$51,600	$68,150
	Low Income (502 only)	$82,550	$109,000

	38 Year Term (502 only)	$61,900	$81,750
Waldo County (Non-MSA and MSA).	Very Low Income (504 threshold)	$44,350	$58,550

	Low Income (502 only)	$70,950	$93,700
	38 Year Term (502 only)	$53,200	$70,250
York County	Very Low Income	$53,450	$70,600

y (Non-MSA).	come (504threshold)		
	Low Income (502only)	$85,500	$112,900
	38YearTerm	$64,150	$84,700

	(502only)		
YorkCountyMSAincludingBerwick,Eliot,K	VeryLowIncome(504threshold)	$64,100	$84,650

ittery,SouthBerwick,andYork.			
	LowIncome(502only)	$102,550	$135,400

	38YearTerm(502only)	$76,900	$101,550

Part 9: Contact information and civil rights complaint procedure

USDA Rural Development, Maine State Office, Housing Programs

Mailing address: USDA Rural Development, Attention: SFH, 1423 Broadway, Suite 3, Bangor, Maine 04401.

Phone: 207-990-9110.

TDD (for hearing-impaired callers): 207-942-7331.

Fax: 855-589-1098.

Email: mailto:rd.me.sfh.applications@usda.gov

Note on a small inconsistency in the source

The source PDF lists "Suite 4" in one location but "Suite 3" in every other reference, including all other USDA materials. This accessible version uses Suite 3 throughout, which is the consistent and correct address.

USDA equal opportunity statement

USDA is an equal opportunity provider, employer, and lender.

Filing a Civil Rights program complaint

If you wish to file a Civil Rights program complaint of discrimination, you have three options.

Option 1: Complete the USDA Program Discrimination Complaint Form

This is USDA Form AD-3027, which is available online or at any USDA office.

USDA Program Discrimination Complaint Form: http://www.ascr.usda.gov/complaint_filing_cust.html

Option 2: Request a paper form by phone

Toll-free phone: 1-866-632-9992.

Option 3: Write a letter

Write a letter containing all of the information requested on the complaint form, and send it by mail, fax, or email.

Mail: U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue SW, Washington, D.C. 20250-9410.

Fax: 202-690-7442.

Email: mailto:program.intake@usda.gov

Note on shortened URLs

Several web addresses in this document are shortened links (tinyurl.com and go.usa.gov). If a link no longer works, you can find the same content by visiting the main USDA Rural Development site at the link below, or by contacting the Maine State Office listed above.

USDA Rural Development main site: rd.usda.gov

Source

Source materials: USDA Rural Development Single Family Housing Repair Loans and Grants fact sheet (May 2025); USDA Form RD 3550-35, 504 Home Repair Loan and Grant Program Intake Form (revised March 2024); USDA Third Party Authorization form; USDA Field Office Handbook Exhibit 4-4 (Indicators of Unacceptable Credit); and FY 2025 Adjusted Income Limits for Maine (dated June 18, 2025).