

Drinking Water State Revolving Fund (DWSRF)

DWSRF and WPL Loan Rate and Term Summary Tables

Loan Rates and Terms for the LASRF (WPL)

| Loan Type ¹ | Organization Type | Interest rate | Max term (years) | Forgiveness ² |
|------------------------|---------------------------------|---------------|------------------|--------------------------|
| Planning | Municipalities | 0% | 5 | Up to \$50,000 |
| Planning | Municipally owned PCWS/NTNC/TNC | 0% | 5 | Up to \$50,000 |
| Planning | Non-profit PCWS | 0% | 5 | Not eligible |
| Planning | For-profit PCWS | Not eligible | Not eligible | Not eligible |
| Planning | For/Non-profit NTNC/TNC | Not eligible | Not eligible | Not eligible |

Notes for above:

1: Planning loans may include feasibility studies, preliminary engineering, engineering design, etc. and will be rolled into a long-term loan if a loan is obtained for the planning endeavor, regardless of the source of funding (USDA-RD, VMBB, DWSRF).

2: Planning loan forgiveness is outlined in Guidance Document #22 and is only available to Municipalities.

Loan Rates and Terms for the DWSRF

| Loan Type ¹ | Organization Type | Interest rate ⁸ | Administrative fee | Principal Forgiveness ⁶ | Max term (years) ² |
|------------------------|---|----------------------------|--------------------|------------------------------------|-------------------------------|
| Planning | All | 0% | n/a | n/a | 5 |
| Construction | Municipal PCWS ³ | 1% | 2% | Varies | 30 |
| Construction | Municipal PCWS Disadvantaged ⁴ | 0%-1% | 0%-2% | Varies; Up to 50% ALV | 40 |

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|--------------|---|------------------|------------------|------------------------|------------------|
| Construction | Private For-Profit & Non-Profit PCWS | 0% | 3% | Varies | 20 |
| Construction | Private Non-Profit PCWS Disadvantaged ⁴ | 0% | 0-3% | Varies; Up to 50% ALV | 30 |
| Construction | Private Non-Profit NTNC/TNC | 0% | 3% | Varies | 20 |
| Construction | Municipal NTNC | 1% | 2% | Varies; Up to \$25,000 | 30 |
| Construction | Municipal Transient Non-Community | 1% | 2% | Varies | 30 |
| Refinancing | Municipal debt incurred 7/1/1993-4/5/1997 | X% ⁵ | n/a | n/a | 20 |
| Refinancing | Municipal debt incurred after 4/5/1997 ⁷ | As if a new loan | As if a new loan | As if a new loan | As if a new loan |

Notes for above:

1: Planning loans may include feasibility studies, preliminary engineering, engineering design, etc. and will be rolled into a long-term loan if a loan is obtained for the planning endeavor, regardless of the source of funding (USDA-RD, VMBB, DWSRF). Construction Loans include all DWSRF- eligible system improvements.

2: Loan durations listed are maximum terms but may be shortened based on calculated loan amount, applicant's preference or weighted average expected useful life of the assets being funded.

3: Interest rate plus administrative fee will not be less than necessary to achieve an annual household user cost of 1% of median household income (MHI). Final adjustments will be made when the loan is closed after construction is complete. See Guidance Document #10 for more information.

4: A disadvantaged applicant has an MHI below the statewide average of community MHI (SCMHI); or, for municipal applicants only, the user cost exceeds 2.5% of the MHI. Interest rate plus administrative fee will not be less than necessary to achieve an annual household user cost of 1% of median household income (MHI). Final adjustments will be made when the loan is closed after construction is complete. See Guidance Document #10 for more information.

5: Interest rate is set by State Treasurer

6: Principal forgiveness in the form of Additional Subsidy varies and is outlined in the annual Intended Use Plan. Disadvantaged loan recipients may receive principal forgiveness up to 50% of anticipated loan value (ALV) consistent with

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Guidance Document #10. Municipally owned schools qualify for up to \$25,000 in principal forgiveness under Disadvantaged Subsidy.

7: Loan term, interest rate and administrative fee will be the same as for a new loan if funded within 2 years of the initiation of construction.

8: Interest rate is the default rate established by the Treasurer as it relates to the DWSRF.

Last updated 9/23/2019