

UNITED STATE DEPARTMENT OF AGRICULTURE  
RURAL DEVELOPMENT  
BISMARCK, ND 58502

May 10, 2004

**SUBJECT:** Section 504 Loan and Grant Inspections

**TO:** All Rural Development Offices in North Dakota

**PURPOSE/INTENDED OUTCOME:**

The purpose of this North Dakota Administrative Notice (AN) is to assist and provide guidance for loan officials in making loans and grants.

**COMPARISON WITH PREVIOUS AN:**

No previous AN has been issued on this subject.

**IMPLEMENTATION RESPONSIBILITIES:**

Handbook-1-3550 section 12.3 states: "For any Section 504 loan or grant, the Loan Originator must visit the property within 30 days of the receipt of the application to identify which repairs are essential. Photographs of the property and the items needing repairs should be taken during this visit."

Effective immediately the Loan Originator will take photographs of all the item(s) and or area(s) that are proposed to be replaced or rehabilitated. The Loan Originator will also take photographs of the items and or area(s) after the replacement or rehabilitation has taken place.

All 504 loan and grant borrower case files will contain pictures showing the before conditions and the after results.

/s/ Clare A. Carlson  
CLARE A. CARLSON  
State Director

**EXPIRATION DATE:**  
May 31, 2005

**FILING INSTRUCTIONS:**  
Appendix 7 of HB-1-3550

USDA Rural Development is an Equal Opportunity lender, provider, and employer. Complaints of discrimination should be sent to: USDA, Director, Office of Civil Rights, Washington, DC 20250-9410