City of Madison
Community Development Division
Special Assessment Loan

For more information please go to www.cityofmadison.com/homeloans or
Contact City staff at homeloans@cityofmadison.com or 608-266-6520

Special Assessment Loan Program	
Program Purpose	In the interest of public health, safety and welfare, it is often necessary to construct improvements in areas in which property owners reside for whom payment of the special assessments for the improvements or special charges for services rendered could be considered as a severe personal financial hardship. This loan program is intended to address that public need.
Borrower Eligibility	• The owner(s) of the property must have a combined total less than $30,000 and include but not be limited to such things as: checking accounts, savings accounts, life insurance net cash value, stocks, bonds, mutual funds, money market funds and annuities. • Household income of all residents of the property must be at or below the following based on the number of people living in the property 2026 Income Limits Household Size — Income Limit 1 — $ 74,800 2 — $ 85,450 3 — $ 96,150 4 — $106,800 5 — $115,350 6 — $123,900
Eligible Property	• Must be located in City of Madison and within a special assessment improvement district and the property was specially assessed for said improvements or upon which a special charge has been imposed for current services rendered. • The property must be the principal residence of, and owned by, the person(s) applying for the loan. • Property must have up to date Homeowners Insurance.
Maximum Loan Amount	The borrower is eligible for a maximum loan amount to pay all or a portion of special assessment costs applied to the property. The loan will not pay for delinquent utilities. No monthly payments for living expenses are allowed. The cumulative amount paid under this program, plus accrued interest and other loans secured by the property, cannot exceed 70% of the value of the property. The City Assessor's value will be used for this purpose.
Loan Rates	Interest rate updated each year based on market conditions, 2027 interest rate is 4.5%. Interest rate is locked when borrower signs Mortgage and Promissory Note to obtain financing from City of Madison.
Additional Costs	Cost includes title search to verify ownership of the property and recording of the Mortgage and any other necessary documents with the Dane County Register of Deeds. This cost is approximately $135 and may be added to the amount borrowed.

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