

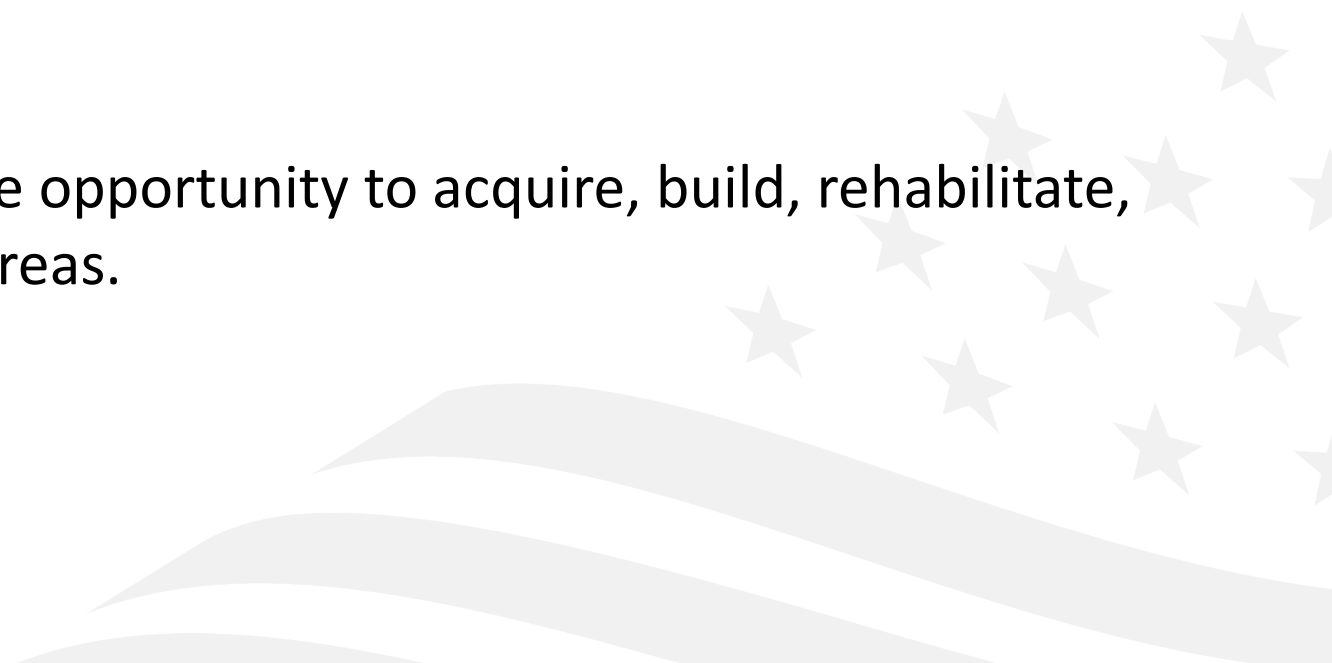


# USDA Single Family Housing Guaranteed Loan Program NAIHC 2024 Legal Symposium

 **USDA** Rural Development  
U.S. DEPARTMENT OF AGRICULTURE

Ticia Weare  
Policy, Analysis and Communications Branch

# Single Family Housing Guaranteed Loan Program Purpose

- The SFHGLP is designed to provide low- and moderate-income households the opportunity to own adequate, modest, decent, safe, and sanitary dwellings and located in rural areas.
  - The program provides loan guarantees to approved lenders for loans made to eligible applicants.
  - The program offers eligible applicants the opportunity to acquire, build, rehabilitate, improve, or relocate a dwelling in rural areas.
- 

# Guaranteed Loan Program Lender Benefits

- **90% Loan Note Guarantee**
- **Earn Community Reinvestment Act (CRA) credits**
- **Program is not subsidized and is budget neutral; fully funded year-round by program fees**
- **USDA loans are sought after securities in the secondary market and receive the best investor pricing due to low prepayment rate ~7% (FHA 36%, VA 66%)**

# Guaranteed Loan Program Applicant Benefits

- **100% financing of appraisal value, no down payment**
- **Alternative credit allowable**
- **No Asset/Reserve Requirements**
- **No cap on purchase price**
- **Low fees – 1% up front financing fee, .35 Annual fee**
- **Purchase, New Construction, and Refinance**
- **Single Close Construction Program**
- **Not limited to First Time Home Buyers**
- **No Set Acreage Limits**
- **Escrow for Repairs**
- **Interested Party Concessions to 6%**
- **Gifts, Grants, & Down payment assistance allowed with no CLTV**



# Program Eligibility



# Eligibility Requirements

Determination of Applicant Eligibility



- 1. Property located in an eligible rural area**
- 2. Total Household Income Within Program Limits - 115% of MHI**

# Single Family Housing Guaranteed Loan Program Property Eligibility

## Eligibility Website

<http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>

Contact Us ▾



**ELIGIBILITY**

Home   **Tutorials**

**Single Family Housing Guaranteed**

Single Family Housing Direct

Multi-Family Housing

Rural Business

OneRD Guarantee Loan

Water and Environmental Guaranteed  
(Part of the OneRd Guarantee Loan Initiative)

Water and Environmental Direct

Community Facilities Guaranteed  
(Part of the OneRd Guarantee Loan Initiative)

**Make sure to select the correct program**

### Eligibility

#### Welcome to the USDA Income and Property Eligibility Site

This site is used to evaluate the likelihood that a potential applicant would be eligible for program assistance. In order to be eligible for many USDA loans, household income must meet certain guidelines. Also, the home to be purchased must be located in an eligible rural area as defined by USDA.

To learn more about USDA home loan programs and how to apply for a USDA loan, click on one of the USDA Loan program links above and then select the Loan Program Basics link for the selected program.

To determine if a property is located in an eligible rural area, click on one of the USDA Loan program links above and then select the Property Eligibility Program link. When you select a Rural Development program, you will be directed to the appropriate property eligibility screen for the Rural Development loan program you selected.

To assess potential eligibility of an applicant/household, click on one of the Single Family Housing Program links above and then select the applicable link.

For additional information and to contact a USDA Program Representative, click on the Contact Us link above, and then select the appropriate USDA program.

# Single Family Housing Guaranteed Loan Program Property Eligibility

eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=sfp

Contact Us

**USDA** United States Department of Agriculture  
Rural Development

**ELIGIBILITY**

Home Tutorials

Single Family Housing Guaranteed Single Family Housing Direct Multi-Family Housing Rural Business OneRD Guarantee Loan Water and Environmental Guaranteed (Part of the OneRd Guarantee Loan Initiative) Water and Environmental Direct Community Facilities Guaranteed (Part of the OneRd Guarantee Loan Initiative)

Property Eligibility Proposed Eligibility Areas Income Eligibility Income Limits Loan Basics

Find Your Address  **GO!**

Map Legend  
Ineligible Areas

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# Single Family Housing Guaranteed Loan Program Property Eligibility

## Looking up a Specific Address

Home Tutorials

Single Family Housing Guaranteed Single Family Housing Direct Multi-Family Housing Rural Business Water and Environmental Guaranteed Community Facilities Guaranteed

Eligibility Assessment Income Limits Loan Basics **Property Eligibility** Previous Eligibility Areas

1300 overland park drive, braselton, ga

You can enter a specific property address here to get results on the map

1300 Overland Park Dr  
Braselton GA 30517  
This address IS located in an eligible area.

Note: The darker areas are Ineligible or Urban

Map Legend  
Ineligib

© 2020 Microsoft Corporation. © 2020 HERE | USDA Rural Development

Find Your Address

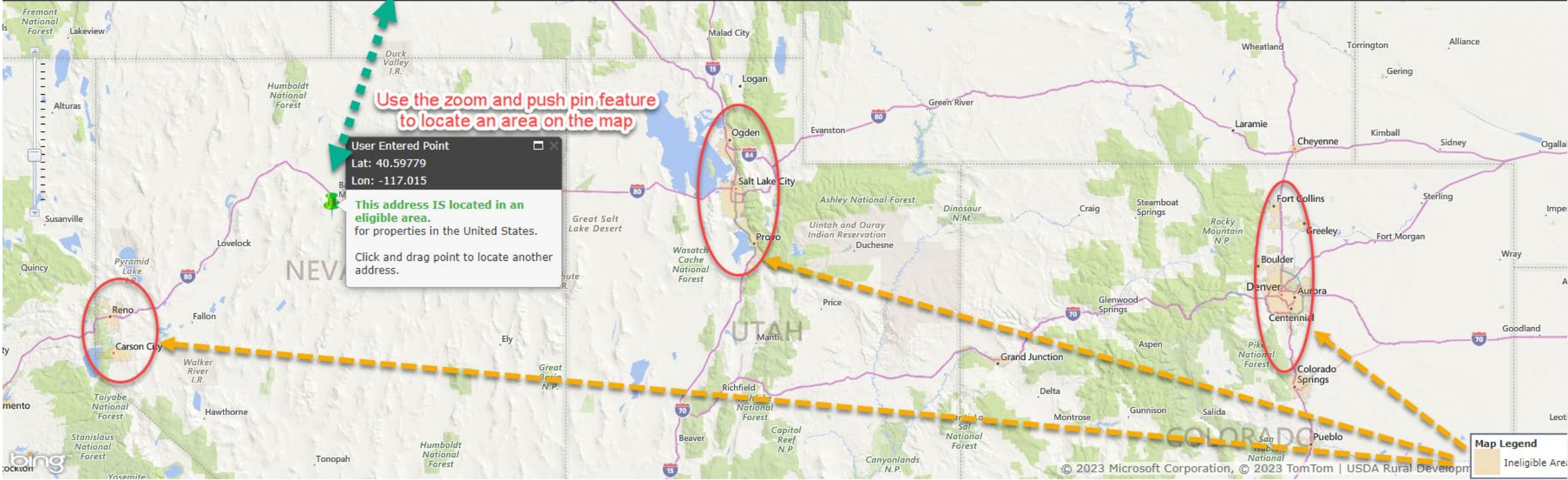


Use the zoom and push pin feature to locate an area on the map

User Entered Point  
Lat: 40.59779  
Lon: -117.015

This address IS located in an eligible area. for properties in the United States.

Click and drag point to locate another address.



Map Legend  
Ineligible Area

Use the Zoom and Push Pin features to locate new construction or addresses the eligibility map cannot find

# Single Family Housing Guaranteed Loan Program

## Maximum Income Limits

<https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>

The screenshot shows the USDA website interface. At the top left is the USDA logo with the text "United States Department of Agriculture Rural Development". Below the logo is a dark blue navigation bar with "Home" and "Tutorials" links. A white horizontal menu contains several options: "Single Family Housing Guaranteed" (circled in orange), "Single Family Housing Direct", "Multi-Family Housing", "Rural Business", and "Water and Environment". Below this is another white menu with "Property Eligibility", "Previous Eligibility Areas", "Income Eligibility" (highlighted in blue), "Income Limits" (circled in orange), and "Loan Basics". A green banner below the menu reads "Single Family Housing Income Eligibility". Underneath is a blue header for "Property Location". The main content area shows a "State:" label followed by a dropdown menu with the text "Please pick a state below" and a downward arrow.





# Maximum Income Limits MONTANA

HB - 1 - 3555, Appendix 5

GUARANTEED HOUSING PROGRAM INCOME LIMITS

STATE: MONTANA	P R O G R A M	FY 2023 A D J U S T E D I N C O M E L I M I T S							
		1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON*
Chouteau County, MT	VERY LOW INCOME	42000	42000	42000	42000	55450	55450	55450	55450
	LOW INCOME	67200	67200	67200	67200	88700	88700	88700	88700
	MOD. INC-GUAR. LOAN	110650	110650	110650	110650	146050	146050	146050	146050
Custer County, MT	VERY LOW INCOME	43050	43050	43050	43050	56850	56850	56850	56850
	LOW INCOME	68900	68900	68900	68900	90950	90950	90950	90950
	MOD. INC-GUAR. LOAN	110650	110650	110650	110650	146050	146050	146050	146050
Daniels County, MT	VERY LOW INCOME	43200	43200	43200	43200	57050	57050	57050	57050
	LOW INCOME	69100	69100	69100	69100	91200	91200	91200	91200
	MOD. INC-GUAR. LOAN	110650	110650	110650	110650	146050	146050	146050	146050
Dawson County, MT	VERY LOW INCOME	42550	42550	42550	42550	56200	56200	56200	56200
	LOW INCOME	68100	68100	68100	68100	89900	89900	89900	89900
	MOD. INC-GUAR. LOAN	110650	110650	110650	110650	146050	146050	146050	146050
Deer Lodge County, MT	VERY LOW INCOME	42000	42000	42000	42000	55450	55450	55450	55450
	LOW INCOME	67200	67200	67200	67200	88700	88700	88700	88700
	MOD. INC-GUAR. LOAN	110650	110650	110650	110650	146050	146050	146050	146050
Fallon County, MT	VERY LOW INCOME	47900	47900	47900	47900	63250	63250	63250	63250
	LOW INCOME	76650	76650	76650	76650	101200	101200	101200	101200
	MOD. INC-GUAR. LOAN	110650	110650	110650	110650	146050	146050	146050	146050
Fergus County, MT	VERY LOW INCOME	42000	42000	42000	42000	55450	55450	55450	55450
	LOW INCOME	67200	67200	67200	67200	88700	88700	88700	88700
	MOD. INC-GUAR. LOAN	110650	110650	110650	110650	146050	146050	146050	146050
Flathead County, MT	VERY LOW INCOME	42000	42000	42000	42000	55450	55450	55450	55450
	LOW INCOME	67200	67200	67200	67200	88700	88700	88700	88700
	MOD. INC-GUAR. LOAN	110650	110650	110650	110650	146050	146050	146050	146050
Gallatin County, MT	VERY LOW INCOME	52600	52600	52600	52600	69450	69450	69450	69450
	LOW INCOME	84150	84150	84150	84150	111100	111100	111100	111100
	MOD. INC-GUAR. LOAN	120950	120950	120950	120950	159650	159650	159650	159650

\* ADD 8% OF 4 PERSON LIMIT FOR EACH PERSON IN EXCESS OF 8 PERSONS  
 \*\* MODERATE INCOME IS DEFINED AS THE GREATER OF 115% OF THE U.S. MEDIAN FAMILY INCOME OR 115% OF THE AVG. OF THE STATE-WIDE AND STATE NON-METRO MEDIAN FAMILY INCOMES OR 115/80THS OF THE AREA LOW-INCOME LIMIT

Return to top

# Single Family Housing Guaranteed Loan Program

## Property Types

- Must be typical for the area
- Predominately residential in use, character, and design
- Must NOT be designed or utilized principally for income producing purposes or contain income producing land



# Single Family Housing Guaranteed Loan Program

## Eligible Loan Purposes

### Acquiring a Site and Dwelling

- New Construction including new manufactured (End-loan or Single-Close Construction)
- Existing (Stick built, modular, condos, and existing manufactured thru pilot\*)
- Land Trusts and Leaseholds allowed

### Reasonable and Customary Expenses

- Associated with the purchase of a dwelling such as closing costs

### Repairs and Rehabilitation

- In combination with a purchase
- Tribal Rehabilitation Pilot Program\*

### Refinance

- Current RD Direct or GRH loans only



# New Manufactured Homes

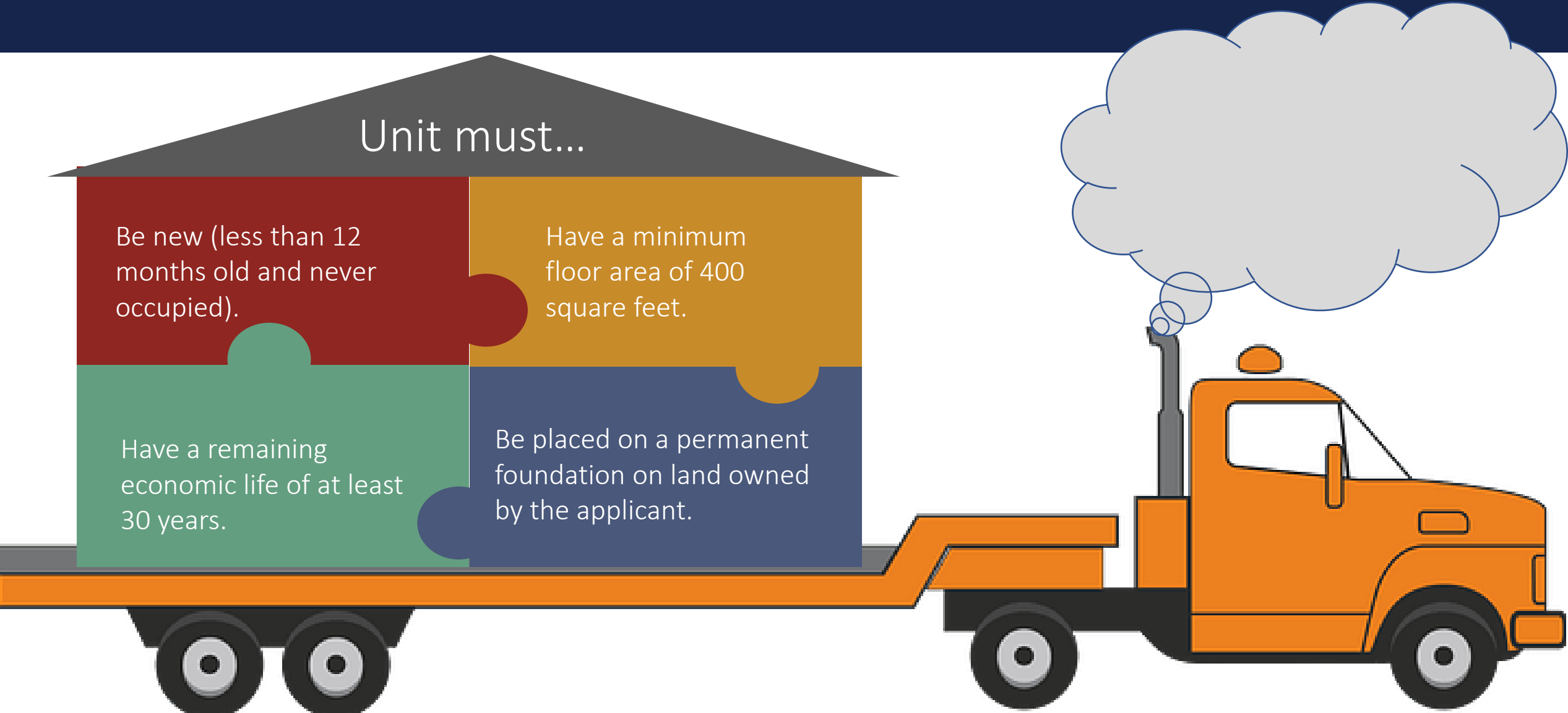
## Unit must...

Be new (less than 12 months old and never occupied).

Have a minimum floor area of 400 square feet.

Have a remaining economic life of at least 30 years.

Be placed on a permanent foundation on land owned by the applicant.





# Existing Manufactured Homes Pilot

[https://www.federalregister.gov/documents/2022/11/02/2022-23754/single-family-housing-section-502-direct-and-guaranteed-manufactured-housing-pilots?utm\\_source=federalregister.gov&utm\\_medium=email&utm\\_campaign=subscription+mailing+list](https://www.federalregister.gov/documents/2022/11/02/2022-23754/single-family-housing-section-502-direct-and-guaranteed-manufactured-housing-pilots?utm_source=federalregister.gov&utm_medium=email&utm_campaign=subscription+mailing+list)

The effective date of the two regulatory waivers is November 2, 2022. The duration of the pilot program is anticipated to continue until a final rule is in place.

## Unit must...

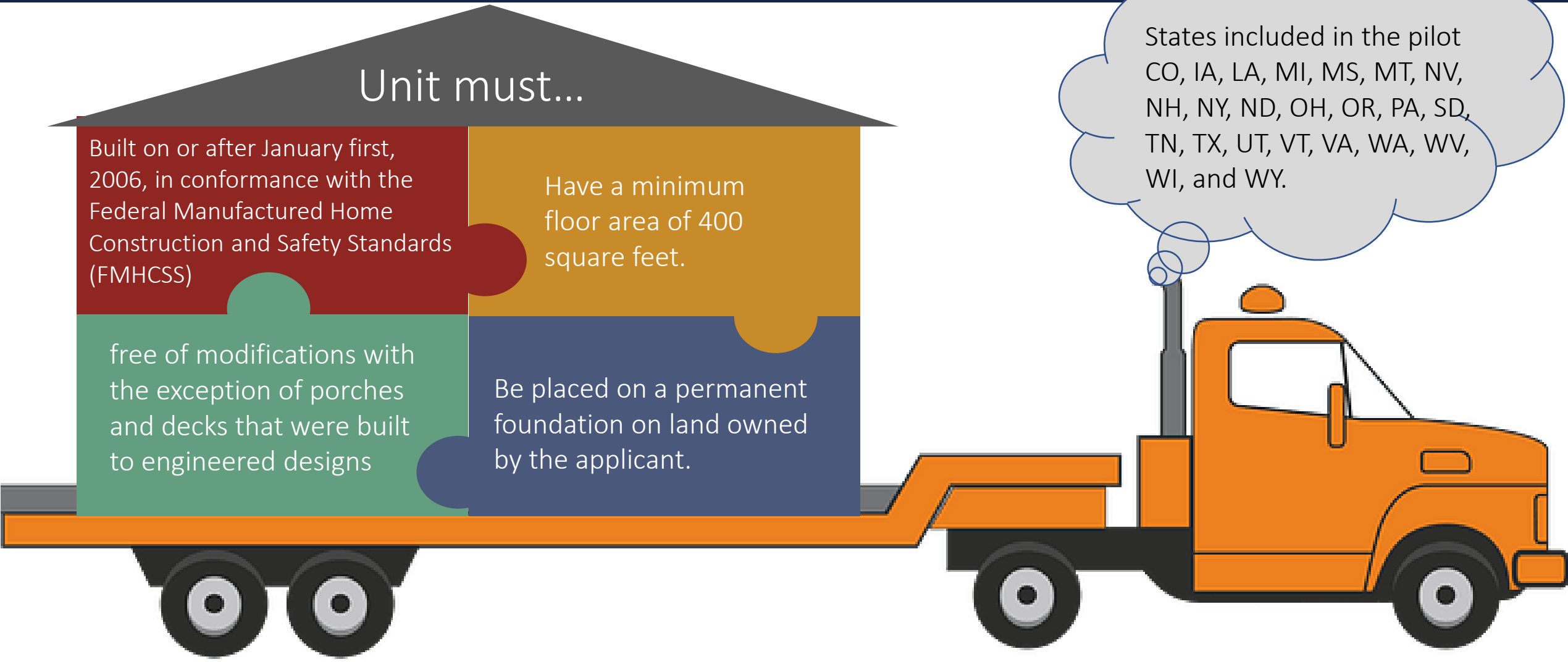
Built on or after January first, 2006, in conformance with the Federal Manufactured Home Construction and Safety Standards (FMHCSS)

Have a minimum floor area of 400 square feet.

free of modifications with the exception of porches and decks that were built to engineered designs

Be placed on a permanent foundation on land owned by the applicant.

States included in the pilot  
CO, IA, LA, MI, MS, MT, NV,  
NH, NY, ND, OH, OR, PA, SD,  
TN, TX, UT, VT, VA, WA, WV,  
WI, and WY.



# Manufactured Home Proposed Rule

## SFH Guaranteed Origination

August 16, 2023

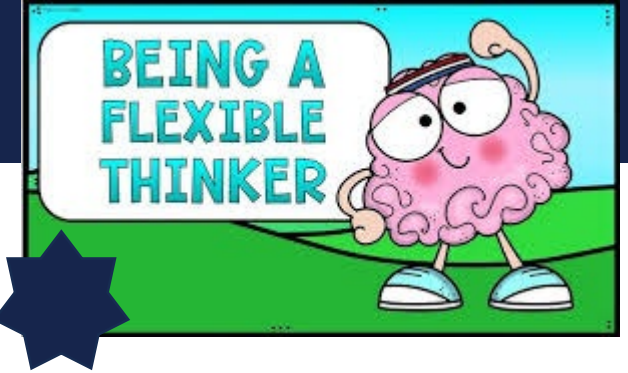
### USDA Proposed Rule - Manufactured Housing Provisions

On August 16, 2023, a [Proposed Rule](#) was published in the Federal Register seeking comments on proposed changes to Handbook 1-3550 and Handbook 1-3555 that would make existing manufactured homes, which meet specific criteria, eligible for financing. In addition, the proposal reduces regulatory burdens related to manufactured housing requirements and provides flexibilities for energy efficient manufactured and modular homes located in land lease communities operating on a non-profit basis.

Comments on the proposed rule must be received on or before October 16, 2023. Comments are invited through the Federal eRulemaking Portal at [www.regulations.gov](http://www.regulations.gov).

For information related to the Guaranteed Loan Program, please contact the Guaranteed Loan Division at [sfhgld.program@usda.gov](mailto:sfhgld.program@usda.gov) or (833) 314-0168.

# More Flexible Origination Regulations



- PITI ratio from 29% to 34% without a ratio exception.
  - TD to remain at 41% or 43% with a ratio exception
- Added two additional compensating factors for ratio exceptions on the total debt
  - The subject property is an energy efficient home based on the International Energy Conservation Code (IECC) standards
  - The proposed PITI does not exceed the applicant's current verified housing expense by more than \$100 or 5 percent, whichever is less, for the 12-month period preceding loan application.
- Previous Agency loss not considered significant derogatory credit if the loss occurred more than 7 years prior to request for commitment submission.
  - Documentation not required for losses incurred > 7 years.
- Shorter seasoning requirements for refinance transactions
  - Permit a 180-day seasoning period for Streamlined Assist refinance transactions.

# Working with our Partners



## Tribal Relations

### About RD

- Leadership
- Offices
- Agencies
- Initiatives
- Key Priorities
- Grant Awards
- Farm Bill
- Careers at Rural Development
- Tribal Relations**
  - Tribal Relations Events

HOME > ABOUT RD

### Hello and welcome to RD's Tribal Relations Page!

USDA Rural Development (RD) places a high value in its relationship with Tribes, American Indians, and Alaska Natives. We collaborate and partner with Tribes to realize a brighter future for families, children, and Tribal communities. We make critical investments in infrastructure, schools, health clinics, housing, and businesses, to benefit Native families and communities across rural America.

RD also promotes external impact by connecting and collaborating with our partners at [Rural.gov](#). The Rural Partners Network (RPN) lists the programs and resources developed exclusively for Tribes, Native Americans, and Alaska Natives.

Our RD Tribal Relations Team champions and coordinates our work with Tribes. Through consultation, coordination, and collaboration, we honor our government-to-government relationships with Tribes and enhance access to our various programs and services to Tribes, Tribal members, and Tribal organizations.



#### Working with Tribes and Tribal Communities

- [Martin Family Achieves Homeownership on the St. Regis Mohawk Reservation Through Packaging Partnerships](#)
- [Routine Servicing Leads to New Projects](#)
- [I was paying for something I knew I would never own](#)
- [Army Veteran Brings Brewing Back to Ruttle](#)

[View More Success Stories](#)

### Tribal Events and Outreach

An official website of the United States government [Here's how you know](#) ▼

# RURAL.gov

Search

[About RPN](#) [Help for Rural Communities](#) [Community Networks](#) [Rural Connections Blog](#) [RPN News](#) [Give Feedback](#)

## Tribes, American Indians, and Alaska Natives

HOME > [HELP FOR RURAL COMMUNITIES](#) > TRIBAL PROGRAMS AND RESOURCES

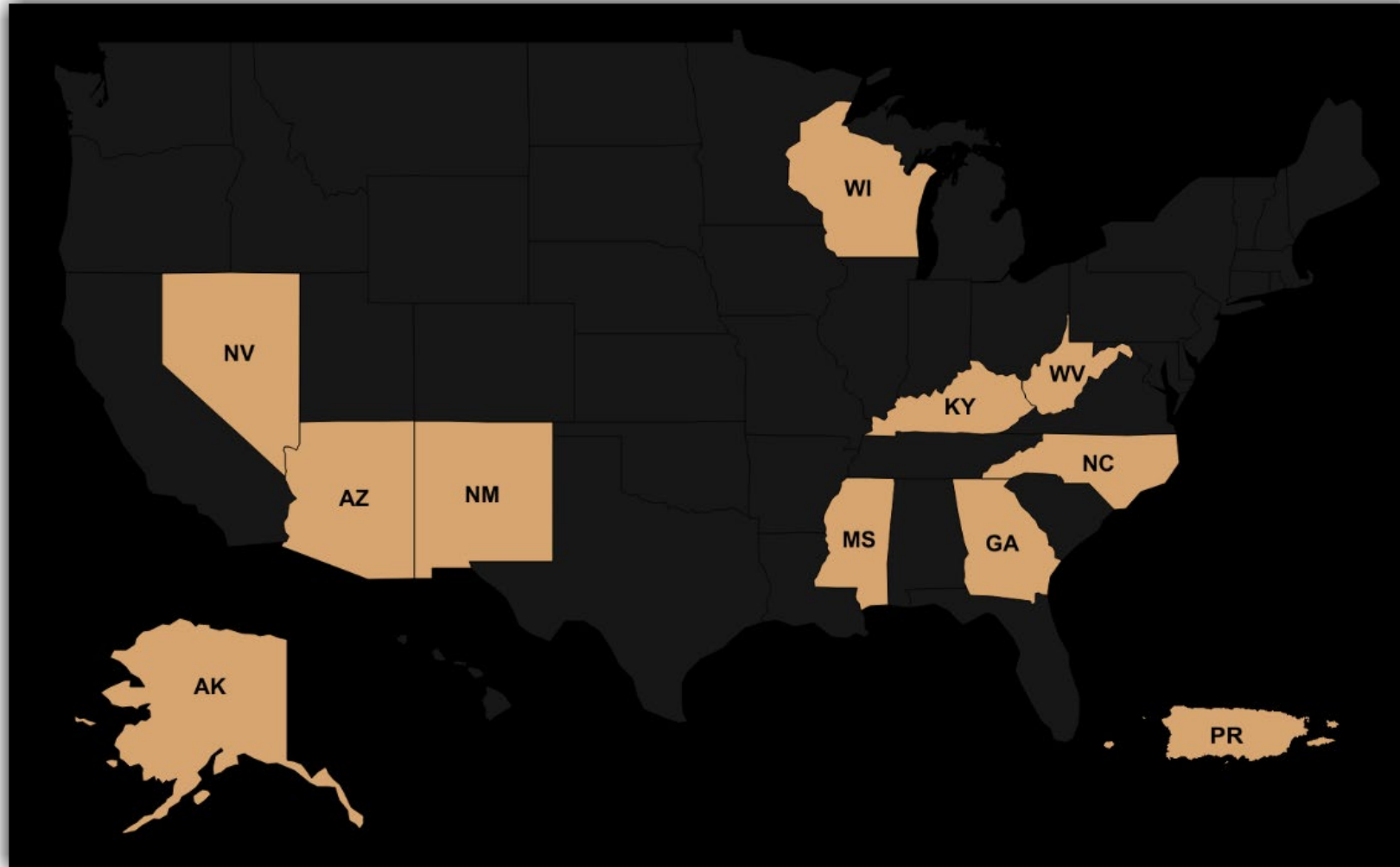
- Help for Rural Communities
- Community and Economic Development
- Assistance for Individuals and Families
- Tribal Programs and Resources**

### Tribal Programs and Resources

The programs and resources listed here were developed exclusively for Tribes, Native Americans, and Alaska Natives. Don't forget you can also find funding and information available to you listed in the other listings on the Help for Rural Communities page.



# Rural Partners Network (RPN)



### RPN Partners

These federal departments, agencies and commissions are members of the Rural Partners Network. The departments listed here are comprised of multiple federal agencies and offices that are also actively engaged in RPN.

 The White House	 U.S. Department of Agriculture	 Department of the Treasury	 Department of Interior <a href="#">Visit Website</a>	 Department of Commerce
 Department of Health and Human Services	 Department of Homeland Security <a href="#">Visit Website</a>	 Department of Housing and Urban Development <a href="#">Visit Website</a>	 Department of Labor	 Department of Transportation <a href="#">Visit Website</a>
 Department of Energy	 Department of Education <a href="#">Visit Website</a>	 Department of Veterans Affairs <a href="#">Visit Website</a>	 Environmental Protection Agency	 Federal Deposit Insurance Corporation
 Small Business Administration	 Appalachian Regional Commission	 Consumer Financial Protection Bureau	 Social Security Administration <a href="#">Visit Website</a>	 Delta Regional Authority
 Doral Commission	 Northern Border Regional Commission <a href="#">Visit Website</a>	 Southeast Crescent Regional Commission <a href="#">Visit Website</a>	 Southwest Border Regional Commission	

# Single Family Housing Guaranteed Loan Program

## **Pilot Programs for Native Americans**

Appraisals – making accommodations for the lack of availability of appraisers with knowledge and experience of trust land property

Repair/Rehab – making allowance for properties currently owned without liens to be treated as “purchases” for the sake of utilizing the program



# (1) Tribal Property Valuation Pilot Program



Notice published in the Federal Register –The effective date of the two pilot programs is July 26, 2023. The duration of both pilot programs is anticipated to continue until July 28, 2025

<https://www.govinfo.gov/content/pkg/FR-2023-07-26/pdf/2023-15759.pdf>

## NEWS RELEASE

### USDA Launches Pilot Programs to Increase Affordable Homeownership Opportunities for People on Tribal Lands

*Funding is Part of Biden-Harris Administration's Investing in America Agenda*

**WASHINGTON, July 26, 2023** – U.S. Department of Agriculture (USDA) Rural Development Acting Under Secretary Roger Glendenning today announced that USDA is launching two pilot programs to increase affordable homeownership opportunities for people on Tribal lands.

“Well-built, energy-efficient, affordable housing is essential to the vitality of communities in rural and Tribal America,” Glendenning said. “The assistance I’m announcing today will help people across this nation have the resources they need to build, purchase or repair homes in Tribal communities. The Biden-Harris Administration is committed to ensuring that all Americans have an affordable place they can call home and opportunities to build generational wealth through homeownership.”

USDA is launching the Tribal Property Valuation Pilot Program. It provides approved lenders the opportunity to obtain desktop appraisals for mortgage transactions on Tribal land. This program will help decrease the cost and eliminate potential inaccuracies of appraisal reports completed on properties located on Tribal land.

To learn more, read full [NEWS RELEASE](#).

# Desk Top Appraisals

**Option 1**—When a qualified appraiser is readily available to complete a desktop appraisal, at reasonable terms; a qualified entity, as determined by the lender and appraiser, will provide all required property documentation to the lender for consideration. Examples of qualified entities include TDHE, THA, or other entities familiar with housing construction, repair, and conditions on tribal lands.



**Option 2**—When the lender determines a qualified appraiser is not readily available to complete a desktop appraisal at reasonable terms, a Rural Development Staff Appraiser will become involved, and A qualified entity, as determined by the lender and concurred with by Rural Development, will provide all required property documentation to the lender for consideration. Documentation provided by a party who has a financial interest in the sale or financing of the property may be accepted if the Rural Development Staff Appraiser verifies such data from a disinterested source.

The cost approach may be used for either option and is also allowable for our non pilot loan types.



## (2) Tribal Rehabilitation Pilot Program



- Available for homes located on tribal land
- The home must be owned by the proposed applicant(s), with no outstanding mortgages encumbering or other liens on the property
- Upon completion of the repairs, the home must meet the minimum property requirements of Department of Housing and Urban Development (HUD) Handbook 4000.1
- Loan can be up to 100% of the appraised value

# SFHGLP Communications: Overview and Objectives

The USDA Section 502 Single Family Housing Guaranteed Loan Program (SFHGLP) is working toward the 2024-2025 mission of expanding lending opportunities in underserved communities by encouraging participation in loan making on tribal trust lands.

## Tribal Land Trust Lending Approach

1

### **Native CDFI Program Participation**

Creating flexibilities and additional guidance for these lending institutions to achieve lending eligibility for our program, which already allows for loan making on land trusts and leaseholds.

2

### **Memorandums of Understanding (MOUs)**

Creating a document that effectively addresses concerns and preserves the interests of all parties involved. We can further tailor each MOU for suitability between our currently approved lenders and the tribes to ensure a document that achieves program utilization for tribal members.

# Single Family Housing Guaranteed Loan Program

## Memorandum of Understanding (MOU)

Predefine the roles in the event of a loan default.  
Eliminate court involvement and legal complexities.

Not a finalized form – this is open to alterations



### Memorandum of Understanding Between the United States Department of Agriculture, and an Indian Tribe or the Tribe's Designated Housing Entity and a USDA Approved Guaranteed Lender

#### I. Purpose

The U.S. Department of Agriculture (USDA) and the \_\_\_\_\_ Tribe (Tribe) or \_\_\_\_\_, its authorized Tribal Designated Housing Entity (TDHE ) and \_\_\_\_\_, a USDA Approved Guaranteed Lender (Lender) (hereinafter referred to collectively as the Parties) enter into this Memorandum of Understanding (MOU) to implement actions that will expand homeownership opportunities on the \_\_\_\_\_ Reservation. The purpose of this MOU is to set forth the principles and procedures which will be utilized by the USDA, the Tribe or its designated TDHE, and Lender to extend homeownership opportunities through the USDA Single Family Housing Guaranteed Loan Program (SFHGLP) to eligible applicants participating in the Tribe's/TDHE's Risk Pool Program (Risk Pool).

#### II. Background

Native Americans in the United States face worse housing conditions, disproportionately high unemployment and extreme poverty. In 2013, the U.S. Census Bureau reported that American Indians and Alaska Natives were almost twice as likely to live in poverty as the rest of the population. Traditionally, Native American and Alaskan Native communities have had limited access to financial opportunities for home loans on restricted trust lands.

The SFHGLP is administered by USDA Rural Development the Agency. The purpose of the SFHGLP is to provide low- and moderate-income people who will live in rural areas with an opportunity to own decent, safe and sanitary dwellings and related facilities. The SFHGLP offers persons who are without sufficient resources to provide necessary housing and who are unable to secure the credit necessary for such housing from other sources at reasonable terms and conditions, an opportunity to acquire, build, rehabilitate, improve, or relocate dwellings in rural areas. 7 C.F.R. part 3555. The Rural Housing Service of USDA recognizes that the SFHGLP provides an avenue to increase homeownership on restricted tribal trust lands to eligible borrowers.

#### III. Legal Authorization

The USDA enters into this MOU under the following authority:  
42 U.S.C. 1441 et seq. (Housing Act of 1949, as amended)

The TDHE enters into this MOU under the following authority:  
[Insert authorization from the Tribe (e.g. tribal council resolution, bylaws)]

# Single Close Construction Benefits



## **Borrower Protection**

Escrow up to 10% of purchase price, and up to 12-months of loan payments during construction



## **Loan Note Guarantee at Closing !!**

Issued prior to construction and sellable on secondary market



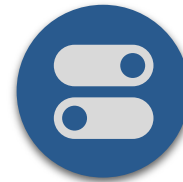
## **Reduced Risk**

To both lenders and builders



## **One Closing**

Only one loan closing required, saving borrower from excess closing costs



## **Two Products Available**

Securitized and Standard



## **Realtor Commission**

Paid at time of closing – prior to construction

# Single Close Rehab and Repair Benefits



**100% Financing** up to 100% of “as improved” appraised value.



**Loan Note Guarantee** is issued after closing – before repairs begin.



**Purchase Existing** while able to customize improvements.



**Reduced Risk to Lenders as** loans may be sold immediately on secondary market once the LNG is issued.



**One Loan Closing** with funding for both purchase and eligible rehabilitation.

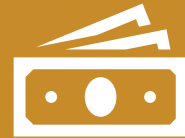


**Realtor Commission** is paid at time of closing – prior to repairs.

# Non-Structural

# Structural

Finance up to \$35,000 in repairs



COST

Finance over \$35,000 in repairs

Subject to repair type



INSPECTION

Qualified inspector is required

Allowed –  
10% if utilities are on; 15% if utilities are off



CONTINGENCY

Allowed –  
10% if utilities are on; 15% if utilities are off

Optional



RESERVES

PITI reserves up to 6 mos when dwelling is uninhabitable

# Single Family Housing Guaranteed Loan Program

## GUS: Guaranteed Underwriting System

Eligible or Ineligible

Accept

Accept with Full Documentation

Refer

Refer with Caution

**Lender = Underwriter** GUS makes recommendations



# LENDER APPROVAL CRITERIA [7 CFR 3555.52]

## **A. Approval from Another Recognized Source**

- State Housing Finance Agency (SFHA)
- Department of Housing and Urban Development (HUD)- Federal Housing Administration (FHA)
- Government National Mortgage Association (Ginnie Mae)
- Department of Veterans Affairs (VA)
- Fannie Mae
- Freddie Mac

## **B. Approval by Demonstrated Ability**

## **C. Federal Oversight**

- The Federal Reserve System, the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC), or the National Credit Union Administration (NCUA)
- The Federal Housing Finance Board regulating lenders within the Federal Home Loan Bank (FHLB) system.

## **D. Experience with a USDA Program or Farm Credit System**

- An FCS lender with direct lending authority; or
- A lender participating in other Rural Housing Service, Rural Business Service, Rural Utilities Service, or Farm Service Agency guaranteed loan programs





# LENDER APPROVAL PROCESS – Handbook Chapter 3

## Attachment 3-A Lender Approval Checklist

Attachment 3-A

Page 2 of 3

<b>Current eligibility designations [Section 3.2 of HB-3555 Chapter 3]:</b>		
<input checked="" type="checkbox"/> <b>Agency Certifications</b> ( <i>Select applicable</i> )	<b>Preferred Method of Evidence/Certification</b> ( <i>Submit as supplemental information</i> )	<b>Applicable Agency Assigned Identification</b>
<input type="checkbox"/> Fannie Mae	Fannie Mae Form 582, "Annual Eligibility Certification Report"	
<input type="checkbox"/> Freddie Mac	Freddie Mac Form 16SF, "Annual Eligibility Certification Report"	
<input type="checkbox"/> U.S. Department of Housing and Urban Development – Federal Housing Administration (HUD-FHA)	Letter showing lender approved by HUD as a Title II supervised or non-supervised mortgagee for submission of one to four family housing applications for Federal Housing Mortgage Insurance or as an issuer of Ginnie Mae mortgage backed securities "supervised" or "non-supervised."	
<input type="checkbox"/> U.S. Department of Veterans Affairs (VA)	Letter showing lender approved as a supervised or non-supervised "automatic" mortgagee with direct lending authority for VA	
<input type="checkbox"/> State Housing Finance Agency (SFHA)	N/A	
<input type="checkbox"/> Farm Credit Service(FCS)	Lender must have direct lending authority. Provide Membership letter.	
<input type="checkbox"/> Lenders participating in USDA guaranteed loan programs.	Copy of executed agreement showing approval by Rural Housing Service, Rural Business and Cooperative Service, Rural Utilities Programs and/or the Farm Service Agency.	
<input type="checkbox"/> Evidence of Federal oversight (if applicable)	Evidence and supporting documentation per Section 3.2 of Chapter 3 of Federal oversight by any of the following: <ul style="list-style-type: none"> <li><input type="checkbox"/> The Federal Reserve System;</li> <li><input type="checkbox"/> The Office of the Comptroller of the Currency (OCC);</li> <li><input type="checkbox"/> The Federal Deposit Insurance Corporation (FDIC);</li> <li><input type="checkbox"/> The National Credit Union Administration (NCUA); or</li> <li><input type="checkbox"/> The Federal Housing Finance Board regulating lenders within the Federal Home Loan Bank (FHLB) system.</li> </ul>	
<input type="checkbox"/> Evidence of demonstrated ability in underwriting and/or servicing (if applicable).	<ul style="list-style-type: none"> <li><input type="checkbox"/> A summary of residential mortgage lending activity.</li> <li><input type="checkbox"/> Written criteria that outline the policies and procedures the lender typically follows when originating, underwriting, and closing residential mortgage loans.</li> <li><input type="checkbox"/> Evidence that the lender has an experienced loan underwriter on staff.</li> </ul>	

# LENDER APPROVAL PROCESS – Handbook Chapter 3

## Attachment 3-A Lender Approval Checklist

List of Supplemental Information to be Submitted with Lender Approval Checklist [Check the box to indicate that each required document has been included with the lender approval request package.]			
1.	Form RD 3555-16	"Agreement for Participation in Single-Family Housing Guaranteed/Insured Loan Programs of the United States Government (Lender Agreement)". <a href="http://forms.sc.egov.usda.gov/eForms/welcomeAction.do?Home">http://forms.sc.egov.usda.gov/eForms/welcomeAction.do?Home</a>	<input type="checkbox"/>
2.	Resume	Evidence of Underwriter's qualifications and experience in the industry.	<input type="checkbox"/>
3.	Retail Lender – Spreadsheet	If your firm is a <b>retail lender</b> , provide complete contact information (addresses, telephone numbers, fax numbers and e-mail addresses) for your branch locations, loan processing/underwriting departments, loan servicing, and a contact person for loan production. Information assists in populating Rural Development's lender record database.	<input type="checkbox"/>
4.	Wholesale Lender or Servicing Lender- Spreadsheet	If your firm is a <b>wholesale lender or a servicing lender</b> , provide a general description of your services (loan processing, underwriting, table funding, loan servicing, real estate owned (REO) disposition, etc.) and provide complete contact information (address, telephone number, fax number, e-mail addresses) for your various departments, including regional account executives.	<input type="checkbox"/>
5.	Underwriting Outline	A brief outline of underwriting criteria from the lender's internal loan policy manual. Include a statement to use forms approved by the Federal Housing Administration (FHA), Fannie Mae, or Freddie Mac.	<input type="checkbox"/>
6.	Quality Control Plan	General requirements for quality control plans: <ul style="list-style-type: none"> <li>• Must be in writing outlining policies and procedures along with any forms and checklists used in the process.</li> <li>• Employees must operate independently of loan origination and servicing departments or the lender/servicer may contract out this function. If this function is contracted out, the lender must adequately monitor the performance of the contractor.</li> <li>• Have procedures to report non-compliance to the highest levels of management. May be monthly or at the most a quarterly basis.</li> <li>• Have procedures to report non-compliance or suspected misrepresentation to the appropriate regulatory authorities.</li> <li>• Identify training opportunities for lender/servicer staff.</li> <li>• Set timeframes for review and follow-up procedures.</li> <li>• Have procedures in place to monitor any third party originators (TPOs)</li> <li>• Include a consistent process to sample select and review SFHGLP loans.</li> </ul>	<input type="checkbox"/>
7.	Training Certification	Evidence of "New Lender Training" – <a href="https://www.rd.usda.gov/programs-services/lenders/usda-linc-training-resource-library">https://www.rd.usda.gov/programs-services/lenders/usda-linc-training-resource-library</a> for one option available for mandatory new lender training. Review Section 3.2 of Chapter 3 for additional options available.	<input type="checkbox"/>

# Single Family Housing Guaranteed Loan Program

## TOOLS & RESOURCES



# USDA LINC Training & Resource Library

HOME > RESOURCES

## LINC Training Library

Guaranteed Underwriting System (GUS)

Lender Approval

Single Family Housing GLP Policy Desk

Lender Training

Loan Closing

Loan Origination

Loan Servicing

GUS Lender Test Environment (LTE)

SFHGLP System Access and Security Guide

Lender Training Schedule

Loan Processing

LINC Contact and Resources

English

### **i** Loan Status

We are currently reviewing new loan applications and conditions received on or before 11-19-24.

Lender Approval and Recertification

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### Contact Us

Find contact information and resources to help you with Single Family Housing Guaranteed Loan Program questions.

[View Contact Information](#)

### GovDelivery Updates

An archive of previously released email bulletins and program updates are outlined below. Stay connected with the latest information by [subscribing to our emails](#).



# Single Family Housing GLP Policy Desk

HOME RESOURCES USDA LINC TRAINING & RESOURCE LIBRARY

- LINC Training Library
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English

Welcome to The Policy Desk! Rural Development recognizes the importance of obtaining input from our stakeholders on proposed policy revisions, prior to those updates becoming effective. The Policy Desk was created with that goal in mind. Here, you will find proposed policy revisions, as well as a mechanism to provide comments to Rural Development on these proposals. We encourage all stakeholders to review these proposals and provide your comments using the link below, or by emailing the Policy Desk at [sfhgld.policydesk@usda.gov](mailto:sfhgld.policydesk@usda.gov). Thank you for your continued support of Rural Development's Single-Family Housing Guaranteed Loan Program!

## Announcements

Rural Development's Single-Family Housing Guaranteed Loan Program is currently seeking comments on proposed revisions to Chapters 2, 6, 12, and 13, as well as Appendices 2, 3, and 7 of Handbook 1-3555. Feedback can be provided through December 8, 2024 using the Stakeholder Comment Form, or by emailing the Policy Desk at [sfhgld.policydesk@usda.gov](mailto:sfhgld.policydesk@usda.gov). Thank you for providing your important feedback on these proposals!

## Proposed Policy Revisions Open for Comment

- [Chapter 2- Draft](#)
- [Chapter 2- Markup](#)
- [Chapter 6- Draft](#)
- [Chapter 6- Markup](#)
- [Chapter 12- Draft](#)
- [Chapter 12- Markup](#)
- [Chapter 13- Draft](#)
- [Chapter 13- Markup](#)
- [Appendix 2- Draft](#)
- [Appendix 2- Markup](#)
- [Appendix 3- Draft](#)
- [Appendix 3- Markup](#)
- [Appendix 7- Draft](#)
- [Appendix 7- Markup](#)

We welcome Your  
Comments and suggestions

Stakeholder CommentForm

## Archive of Previous Proposals

- [Chapter 4: Lender Responsibilities - Draft](#)
- [Chapter 4: Lender Responsibilities - Markup](#)
- [Chapter 5: Origination And Underwriting Overview - Draft](#)
- [Chapter 5: Origination And Underwriting Overview - Markup](#)
- [Chapter 8: Applicant Characteristics - Draft](#)
- [Chapter 8: Applicant Characteristics - Markup](#)
- [Chapter 9: Income Analysis - Draft](#)
- [Chapter 9: Income Analysis - Markup](#)
- [Chapter 10: Credit Analysis - Draft](#)
- [Chapter 10: Credit Analysis - Markup](#)
- [Chapter 15: Submitting The Application Package - Draft](#)
- [Chapter 15: Submitting The Application Package- Markup](#)
- [Chapter 16: Closing The Loan And Requesting The Guarantee - Draft](#)
- [Chapter 16: Closing The Loan And Requesting The Guarantee - Markup](#)
- [Request For Single Family Housing Loan Guarantee RD Form 3555-21 - Draft](#)
- [Request For Single Family Housing Loan Guarantee RD Form 3555-21 - Markup](#)
- [Chapter 11 - Ratio Analysis Draft Advance](#)
- [Chapter 11 - Ratio Analysis Markup](#)
- [Chapter 17 - Regular Servicing Performing Loans Advance Copy](#)
- [Chapter 17 - Regular Servicing Performing Loans Markup Version](#)
- [Chapter 18 - Servicing Non-Performing Loans Advance Copy](#)
- [Chapter 18 - Servicing Non-Performing Loans Markup Version](#)
- [Chapter 19 - Loss Claims Advance Copy](#)
- [Chapter 19 - Loss Claims Markup Version](#)

## LINC Contact and Resources

Find contact information and resources below to help you with Single Family Housing Guaranteed Loan Program questions.

### Contacts

Topic	Information
File Specific Questions	<p>Information to include in email:</p> <ul style="list-style-type: none"><li>• Identify the state the application is located; if applicable;</li><li>• Provide applicant's name and USDA borrower ID, if applicable;</li><li>• GUS loan number, if applicable</li><li>• Include contact information; and</li><li>• Indicate if you would like a call back (otherwise you will receive an email reply)</li></ul> <p>File Specific Questions by phone: 833 314 0168, ext. 2 Phone System Availability: 9:00 am to 3:30 pm ET</p> <p>Production Team One: <a href="mailto:SFHGLPONE@usda.gov">SFHGLPONE@usda.gov</a> AK, AL, AZ, CA, CO, GU, HI, IA, ID, KS, MT, NM, NV, OR, SD, TX, UT, WA, WI, WP, WY Production Team Two: <a href="mailto:SFHGLPTWO@usda.gov">SFHGLPTWO@usda.gov</a> AR, KY, LA, MN, MD, MS, ND, NE, NJ, NY, OK Production Team Three: <a href="mailto:SFHGLPTHREE@usda.gov">SFHGLPTHREE@usda.gov</a> CT, DE, GA, IL, MA, MD, ME, MI, NC, NH, RI, SC, VT, WV</p> <p>Production Team Four: <a href="mailto:SFHGLPFOUR@usda.gov">SFHGLPFOUR@usda.gov</a> FL, IN, OH, PA, PR, TN, VA, VI</p>
Lender Self Report	<a href="mailto:sfhgld.qualityassurance@usda.gov">sfhgld.qualityassurance@usda.gov</a>
Program Training Program Marketing and Outreach	<a href="mailto:sfhgld.lenderpartner@usda.gov">sfhgld.lenderpartner@usda.gov</a>
General Loan Scenario Questions Loan Policy/Regulation/Handbook	<a href="mailto:sfhgld.program@usda.gov">sfhgld.program@usda.gov</a> or *833 314 0168, ext. 4
Turn Times	833 314 0168, ext. 1 Phone System Availability: 9:00 am to 3:30 pm ET
Lender Approval/Recertification Loan Servicing	<a href="mailto:sfhgld.servicing@usda.gov">sfhgld.servicing@usda.gov</a>
Technical Issues: GUS	<a href="mailto:RD.HD@USDA.GOV">RD.HD@USDA.GOV</a> or (800) 457 3642 option 2, option 2
Technical Issues: eAuth or Login.gov	<a href="https://www.eauth.usda.gov/eauth/b/usda/faq">https://www.eauth.usda.gov/eauth/b/usda/faq</a> Select Public Customer FAQs
Loss Claims	<a href="mailto:guarantee.svc@usda.gov">guarantee.svc@usda.gov</a>
Monthly and Quarterly Status Reporting GUS User Agreements	<a href="mailto:RD.SO.HSB@usda.gov">RD.SO.HSB@usda.gov</a>
Adding/Removing Security Administrator (SFH Guaranteed Loan Program Automated Systems)	<a href="#">Form Instructions</a>



# Single Family Housing Guaranteed Loan Program GovDelivery

**USDA LINC Training & Resource Library**

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**LINC Training Library**

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**Loan Status**  
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**Loan Closing**    **Loan Servicing**

**Policy Desk**    **Guaranteed Underwriting System (GUS)**

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**View Contact Information**

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[www.rd.usda.gov/programs-services/lenders/usda-linc-training-resource-library](http://www.rd.usda.gov/programs-services/lenders/usda-linc-training-resource-library)



## SFH Guaranteed Lender

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- Programs & Services**
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  - BioPreferred Program
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  - Community Facilities Programs
  - Electric Programs
  - Energy Programs
  - Inflation Reduction Act Programs
  - Multifamily Housing Programs
  - Single Family Housing Programs
  - Telecommunications Programs
  - Water & Environmental Programs
  - Cooperative Services
- Services**
  - Appraisal and Architectural Services
  - Direct Loan Application Packagers
  - Electric Loan Prepayment Closing Dates
  - Environmental Policies & Procedures
  - For Engineers
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  - RUS Interest Rates
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  - RUS Program Borrowers
  - Single Family Housing Guaranteed Lender**
  - Sustainable Management Tools
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### COVID-19

An important notice for servicers with loans insured or guaranteed by the Rural Housing Service CARES Act Forbearance Fact Sheet for Mortgages and Servicers

### Loan Status

We are currently reviewing new loan applications and conditions received on or before 08-16-23.

### Subscribe to Notifications

Critical program information such as policy updates, funding status, and automation changes are sent by email through GovDelivery [Sign Up to Receive Critical Updates!](#)

### Overview

On February 16, 2020 we integrated the Guaranteed Loan Program into a single integrated national team! For more information, please reference our [Integration Information sheet](#).

USDA Rural Development's Guaranteed Loan Program assists approved lenders in providing up to 100% financing for eligible borrowers (households that do not exceed 115% of the [Median Household Income](#)) purchasing homes in [eligible rural areas](#). Automated underwriting assistance through GUS (Guaranteed Underwriting System) allows for expanded ratios and flexible credit. Download the [Guaranteed Rural Housing Lender fact sheet](#).

We now have [Single Close Construction to Permanent Financing!](#) A single-close loan combines the features of a construction loan and a long-term permanent mortgage. Since there is only one closing, which can save considerable closing costs, the loan is considered a purchase transaction by the agency. The loan note guarantee may be issued once the interim construction loan is closed without waiting for the completion of the property.

### SFHGLP Team – How to Contact Us:

[Download the Full GRH Contact Sheet](#)

The SFHGLP now has a toll-free Customer Access Lender Line (CALL). The CALL USDA system is available to provide turn time updates, as well as access to specialists and analysts who are available to answer your questions on:

- Specific Files
- Lender Recertification and Approval
- Policies and Scenarios
- GUS Technical Questions

CALL USDA at (833) 314-0168

<a href="#">Production Teams</a>	<a href="#">States</a>
<a href="#">Production Team One SFHGLPONE@usda.gov</a>	AK, AL, AZ, CA, CO, GU, HI, IA, ID, KS, MT, NM, NV, OR, SD, TX, UT, WA, WI, WY
<a href="#">Production Team Two SFHGLPTWO@usda.gov</a>	AR, KY, LA, MN, MO, MS, ND, NE, NJ, NY, OK
<a href="#">Production Team Three SFHGLPTHREE@usda.gov</a>	CT, DE, GA, IL, MA, MD, ME, MI, NC, NH, RI, SC, VT, WV
<a href="#">Production Team Four SFHGLPFOUR@usda.gov</a>	FL, IN, OH, PA, PR, TN, VA, VI

# Single Family Housing Guaranteed Loan Program SFH Guaranteed Lender Page



<https://www.rd.usda.gov/page/sfh-guaranteed-lender>

# Single Family Housing Guaranteed Loan Program

## SFH Guaranteed Contacts

Including new toll-free line

# 833-314-0168

To Apply for Program Approval:

[sfhgldpservicing@usda.gov](mailto:sfhgldpservicing@usda.gov)

For More Information or Program Training:

[sfhgld.lenderpartner@usda.gov](mailto:sfhgld.lenderpartner@usda.gov)

U.S. DEPARTMENT OF AGRICULTURE		Contacts & Resources
TOPIC	CONTACT	
<b>File-Specific Questions</b> Information to include in email: <ul style="list-style-type: none"> <li>Identify the state the application is located; if applicable;</li> <li>Provide applicant's name and USDA borrower ID, if applicable;</li> <li>GUS loan number, if applicable</li> <li>Include contact information; and</li> <li>Indicate if you would like a call back (otherwise you will receive an email reply)</li> </ul> File-Specific Questions by phone:	<b>Production Team One:</b> <a href="mailto:SFHGLPONE@usda.gov">SFHGLPONE@usda.gov</a> AK, AL, AZ, CA, CO, GU, HI, IA, ID, KS, MT, NM, NV, OR, SD, TX, UT, WA, WI, WP, WY <b>Production Team Two:</b> <a href="mailto:SFHGLPTWO@usda.gov">SFHGLPTWO@usda.gov</a> AR, KY, LA, MN, MO, MS, ND, NE, NJ, NY, OK <b>Production Team Three:</b> <a href="mailto:SFHGLPTHREE@usda.gov">SFHGLPTHREE@usda.gov</a> CT, DE, GA, IL, MA, MD, ME, MI, NC, NH, RI, SC, VT, WV <b>Production Team Four:</b> <a href="mailto:SFHGLPFOUR@usda.gov">SFHGLPFOUR@usda.gov</a> FL, IN, OH, PA, PR, TN, VA, VI *833-314-0168, ext. 2	
Lender Self-Report	<a href="mailto:sfhgld.compliance@usda.gov">sfhgld.compliance@usda.gov</a>	
Program Training	<a href="mailto:sfhgld.lenderpartner@usda.gov">sfhgld.lenderpartner@usda.gov</a>	
Program Marketing & Outreach		
General Loan Scenario Questions	<a href="mailto:sfhgld.program@usda.gov">sfhgld.program@usda.gov</a> or *833-314-0168, ext. 4	
Loan Policy/Regulation/Handbook		
Turn Times	*833-314-0168, ext. 1	
Lender Approval/Recertification	<a href="mailto:sfhgldpservicing@usda.gov">sfhgldpservicing@usda.gov</a>	
Loan Servicing		
Technical Issues: GUS	<a href="mailto:RD.HD@USDA.GOV">RD.HD@USDA.GOV</a> or (800) 457-3642 option 2, option 2	
Technical Issues: e-Authentication	E-Authentication FAQs: <a href="https://www.eauth.usda.gov/eauth/b/usda/faq">https://www.eauth.usda.gov/eauth/b/usda/faq</a> E-Authentication Contact Us: <a href="https://www.eauth.usda.gov/eauth/b/usda/contactus">https://www.eauth.usda.gov/eauth/b/usda/contactus</a>	
Loss Claims	<a href="mailto:guarantee.svc@usda.gov">guarantee.svc@usda.gov</a>	
Monthly & Quarterly Status Reporting	<a href="mailto:RD.SO.HSB@usda.gov">RD.SO.HSB@usda.gov</a>	
GUS User Agreements		
*Phone System Availability: 9:00 am to 3:30 pm ET		
TOOLS & RESOURCES		
Regulation and Handbook: <a href="https://www.rd.usda.gov/resources/directives">https://www.rd.usda.gov/resources/directives</a>		
Lender Webpage: Turn times, contact information, and helpful links: <a href="https://www.rd.usda.gov/page/sfh-guaranteed-lender">https://www.rd.usda.gov/page/sfh-guaranteed-lender</a>		
USDA LINC: Training modules, user guides, and more useful resources: <a href="https://www.rd.usda.gov/programs-services/lenders/usda-linc-training-resource-library">https://www.rd.usda.gov/programs-services/lenders/usda-linc-training-resource-library</a>		
GovDelivery: Receive notifications regarding origination, servicing, and GUS updates: <a href="https://public.govdelivery.com/accounts/USDARD/subscriber/new">https://public.govdelivery.com/accounts/USDARD/subscriber/new</a>		

To request training tailored to your organization's specific needs, please reach out to our Lender and Partner Activities Branch.

[Sfhgld.lenderpartner@usda.gov](mailto:Sfhgld.lenderpartner@usda.gov)

David Corwin, Deputy Director LPA

[David.Corwin@usda.gov](mailto:David.Corwin@usda.gov)



# QUESTIONS

