

# GUARANTEED RURAL HOUSING LOAN PROGRAM

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## Helping Rural People Succeed

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## Offering 100% financing with no down payment, this Guaranteed Rural Housing Loan Program provides compelling affordable housing options for lenders, borrowers and families.

- Flexible Underwriting—Higher ratios considered with compensating factors, including credit scores over 680, job stability and similar housing expense.
- Properties must be located in eligible rural areas (generally towns of 20,000 or less that are removed from an urban area.)
- Income limits are 115% of U.S. median (for most counties, four person household limit is \$65,000 maximum income.)
- Maximum loan amount up to 100% of appraised value.
- Loan can include closing costs and repairs if appraisal is higher than sales price.
- No monthly mortgage insurance premium payment is required.
- One time 1.5% Guarantee Fee.
- No cash reserves are required.
- Borrowers do not have to be first time home buyers.
- One-day compliance review turnaround time from USDA.
- Lender processes loan package using own forms.
- USDA Rural Development requires only two additional forms to be signed by lender and borrower for inclusion in loan submission package.
- No federal recapture.
- No loan limits.
- Ample funding available all year.
- No minimum credit score.

## How can lenders profit using the Guaranteed Rural Housing Loan?

Lenders comparing options in rural housing markets are finding distinct profit potential advantages in the Guaranteed Rural Housing Loan.

- ▶ No limit on premium or rebate pricing.
- ▶ No imposed fee structure. Lenders may charge reasonable and customary fees.
- ▶ Market rates, negotiated between lender and home buyer.
- ▶ Loans can be sold on the Secondary Market.