

The Guaranteed Eagle

June/ July 2009



Guaranteed Loan Production **HEATS** up! ARRA funding propels the Guaranteed loan program to new heights!



The Guaranteed Loan Program was infused with approximately \$10 billion dollars of additional funding through the American Reinvestment and Recovery Act of 2009 (ARRA). Congress, in enacting ARRA, emphasized the need for accountability and transparency in the delivery of these funds. To ensure the Single Family Housing Guaranteed Loan Program is utilizing ARRA funds in a manner consistent with objectives of ARRA, new internal controls, oversight, and other approaches to meet the accountability objectives of ARRA will soon be initiated. The following changes will assist the Agency to ensure the compliance, safety, and soundness of the portfolio of loans that will be funded through ARRA.

1. **Guaranteed Underwriting System (GUS)**

- Pre-conditional commitment sampling of GUS ACCEPT final submissions. A full documentation loan file from the lender will be required for review by the Agency if the loan is randomly selected.
- New GUS loan messages will be implemented on the "GUS Underwriting Findings Report" to inform lenders and the Agency of any additional documentation or submission steps necessary to process the loan.

2. **Manually Underwritten Loans**

- A second level review will be performed by the Agency for loans that meet defined characteristics prior to issuance of a Conditional Commitment for Loan Note Guarantee.

3. **Refinancing: Notice of Funds Availability (NOFA)**

- A NOFA will be published in the Federal Register to announce funds that will be made available for refinancing requests. The NOFA will also include new requirements for utilization of refinancing funds.

4. **Pay.gov**

- Lenders will have the capability to submit guarantee fees through pay.gov. Implementation will occur by pilot.

The items above are a brief description of imminent changes. Detailed guidance will be provided prior to implementation.

NEED ANSWERS TO GUS ISSUES?

Who you gonna call?

THE CENTRALIZED HELP DESK (CHD)! 1-800-457-3642 Option 2, Option 2 or email: RD.HD@stl.usda.gov

If you have issues with GUS functionality, error messages, and/or e-Authentication problems, call the Centralized Help Desk. If you receive the answering service leave a message. Only one message per inquiry please. In order to provide more timely assistance please include specific information for the CHD to utilize in researching your issue.

HELPFUL TIPS

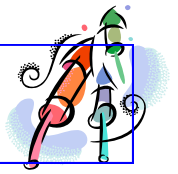
1. Clearly speak your name, contact information, if email please spell, Bank name, Applicant name, and State where the property is located.
2. Technical difficulties: Exact text of error message, time of error, what process you were attempting when error received, is the error confined to one GUS application page or multiple pages, are others in your office experiencing similar issues, your e-Auth log in ID, your IP address, and email a screen print of the error or issue if possible to RD.HD@stl.usda.gov
3. E-Auth issues: Be sure to include your e-Auth log in ID, Bank name, and exact error message received.

The Centralized Help Desk offers assistance with USDA technological applications. DO NOT call the CHD with program related questions for program guidelines, Administrative Notices, or training inquiries. A more comprehensive list of tips and best practices will be issued soon.



Explosion of Administrative Notices

Log on: www.rurdev.usda.gov/regs to download a copy.



In order to have the most recent information regarding the Guaranteed Loan Program be sure to review these AN's and Unnumbered Letters (UL's) located online at www.rurdev.usda.gov/regs under "Administrative Notices" and "Unnumbered Letters."

Origination:

- AN 4423: Guaranteed Underwriting System (GUS), replaces AN 4330
- AN 4432: Conditional Commitment for Loan Guarantee for Proposed New Construction, replaces AN 4337
- AN 4435: Debt Ratio Waivers and Payment Shock, replaces AN 4366
- AN 4436: Traditional and Nontraditional Credit History Verification, replaces AN 4345
- AN 4438: Minimal Essential Documents, replaces AN 4362
- AN 4439: Identifying Red Flags in GUS Loans, NEW TOPIC
- AN 4441: Qualifying for Reduced Documentation When Requesting the Conditional Commitment for Loan Note Guarantee by Utilizing Credit Scores, replaces AN 4346
- AN 4442: In-ground Swimming Pools, NEW TOPIC

Servicing:

- AN 4422: Loss Claim and Future Recovery Processing, replaces AN 4326
- AN 4428: Foreclosure Sale Bids, replaces AN 4350
- AN 4429: Acceptable Liquidation Fees and Costs, replaces AN 4341
- AN 4433: Loss Mitigation Comprehensive Policy Clarification, replaces AN 4321
- AN 4434: Acceptable Foreclosure Timeframes, replaces AN 4342

Unnumbered Letters:

- Approved Lender Training, published May 5, 2009
- Established Tolerances for Property Tax Escrow Accounts, published May 7, 2009



GUS 411

Outline of correct sign up steps for approved lenders.

GUS Sign Up Steps:

1. Lenders should request the "Lender Contact Sheet" from the State Guaranteed Coordinator. To locate a Coordinator visit: <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=GetRHContact&NavKey=contact@12>
2. Complete the lender contact sheet and return it to the Coordinator via email.
3. The Coordinator will forward the lender contact sheet to all three National Office GUS contacts.
4. A GUS Starter Pack will be electronically delivered to the lender. The GUS Starter Pack includes: Welcome letter, User Agreement, Transmittal Cover, Mandatory Training Instructions, and step by step Sign Up For GUS instructions. The lender will need to create a LEVEL ONE e-Authentication ID for GUS users and complete mandatory training.
5. Lenders should mail ALL documents to DCFO upon completion of required steps. Separation of documents will delay processing the lender's request. Mail all three: User Agreement, Transmittal Cover, and Training Certification.
6. DCFO will activate the lender by allowing access to the appointed System Administrator via a confirmation email.
7. Security Administrators for each institution may now activate additional GUS users by obtaining their e-Auth ID's. e-Auth ID's are NOT activated in GUS until the Security Administrator assigns GUS roles for each user.



**ENJOY A SAFE AND HAPPY
JULY 4th HOLIDAY!**



CONTACT RURAL DEVELOPMENT TODAY: