

RD AN No. 4692 (1910-C)
November 8, 2012

TO: Rural Development State Directors,
Rural Development Managers, and
Area Directors

ATTENTION: Rural Development Program Directors

FROM: Tammye Treviño (Signed by Joyce Allen) for
Administrator
Housing and Community Facilities Programs

SUBJECT: Procedure for Ordering Comprehensive and Individual Consumer
Credit Reports for Single Family and Multi-Family Housing

PURPOSE/INTENDED OUTCOME:

This Administrative Notice (AN) provides guidance on ordering Comprehensive Credit Reports (formerly known as the Commercial Credit Reports) from Experian, for Single Family Housing (SFH) and Multi-Family Housing (MFH) programs. Additionally, this AN includes guidance on ordering individual consumer credit reports on the owner/principal(s) from CBCInnovis. Comprehensive credit reports are required for SFH general or dealer/contractor approvals and MFH loan making, including Farm Labor Housing (FLH).

A credit report is a tool used to help determine the credit worthiness of an entity/principal seeking financing from Rural Development's (RD) various loan programs. However, a credit report of a new entity is often devoid of any useful information. Therefore, if the borrower is a new entity, an individual consumer credit report will be ordered on all principals, not the new entity. In addition, if the borrower is a newly formed manufactured dealer, the request for individual consumer credit reports would be for the owner and all principals of the approved dealer or contractor, not the new entity.

EXPIRATION DATE:
November 30, 2013

FILING INSTRUCTIONS:
Preceding RD Instruction 1910-C

COMPARISON WITH PREVIOUS AN:

This AN replaces RD AN No. 4649 (1910-C), dated May 18, 2012, which will expire on May 31, 2013.

IMPLEMENTATION RESPONSIBILITIES:

The effective allowable fee to be charged for each Individual Consumer Credit Reports is \$15 from CBCInnovis. The effective allowable fee to be charged for each Comprehensive Credit Report from Experian is \$18.55.

There are five Regional Coordinators nationwide who have been selected to provide comprehensive and individual consumer credit reports within their regions. The National Office awards contract funds to CBCInnovis and Experian for these reports.

The “host” States and the States within the region are as follows:

Coordinators	Coord.'s Region	Email Address	Phone #	Fax #	Responsible for
Melodie Taylor-Ward	No. East	Melodie.taylor-ward@oh.usda.gov	614.255.2418	614.255.2561	CT, DE, NH, MA, ME, MD, NJ, NY, OH, PA, RI and VT
Lynne Hardin	So. Central	Lynne.hardin@la.usda.gov	318.473.7962	318.473.7829	AR, IL, KS, KY, LA, MN, MO, MS, NE and TN
Molly Ghekier	Western	Molly.ghekier@mt.usda.gov	406.585.2558	406.585.2565	AK, CA, ID, MT, ND, OR, SD, WA, WI and WY
Kathy Smith	So. West	Kathy.smith@tx.usda.gov	254.742.9748	254.742.9754	AZ, CO, HI, NV, NM, OK, PR, TX, UT and West Pacific Territories
Nancy A. Lewis	So. East	Nancy.lewis@va.usda.gov	804.287.1564	804.287.1784	AL, FL, GA, IA, IN, MI, NC, SC, VA and WV

For MFH programs, comprehensive credit reports are required for any established entity including for-profit partnerships, corporations and general partnerships. Individual consumer credit reports are required for each individual applicant, including co-applicants; each general partner or principal who is an individual of a newly formed for-profit partnership or corporation and for each general partner or principal of an established for-profit partnership, entity or

corporation. Individual consumer credit reports are also required for all individual applicants under the Rural Rental Housing (RRH) and FLH loan programs. Typically, comprehensive credit reports will not be requested for newly formed entities including profit or non-profit organizations, but may be ordered for an established non-profit organization at the discretion of the State Director. The fee may be waived for non-profit organizations. See 7 CFR part 3560, §3560.56(d)(5), and the MFH Loan Origination Handbook, HB-1-3560, Chapter 4, Exhibit 4-7.

For SFH programs, comprehensive reports will be obtained when required to determine the financial and managerial capacity of a general contractor or dealer/contractor. Typically, when a dealer/contractor or general contractor is a firm, a comprehensive credit report will be ordered on the firm and an individual consumer credit report on each of the principals. If the dealer/contractor or general contractor is a sole proprietorship, a comprehensive report as well as an individual (consumer) report will be obtained pursuant to RD Instructions 1910-C, §1910.105 and §1910.106 (f).

UniFi is only to be used to obtain individual reports for SFH applicants.

CBCInnovis will be the only source for obtaining individual consumer credit reports on the principal(s)/ owner(s) of manufactured housing dealers, building contractors, and FLH and MFH applicants.

Ordering Credit Reports

Business Comprehensive Report:

Complete Attachment 1 of this AN for each business consumer report. Only the Business Information section is required.

Individual Credit Report:

Complete Attachment 1 of this AN for both the Business Information and Principal Information Sections.

The request(s) may be e-mailed or faxed to the applicable Regional Credit Report Coordinator for your state (see page 2 of this AN for the list).

Submission of Payments

To remit payments for the credit reports, you should use the following:

MFH Program - MFH Payment Transmittal Cover Sheet for Multi-Family Housing
SFH Program - Form RD 3550-17 "*Funds Transmittal Report for Single Family Housing.*"

Submissions of payments are handled by the servicing office. If you have any questions regarding the ordering of comprehensive credit reports, please contact your Regional Credit Report Coordinator as listed on page 2 of this AN.

Attachment

REQUEST FOR COMPREHENSIVE/INDIVIDUAL CREDIT REPORT

Attachment 1

To: State Director
Attn: State Coordinator for Credit Reports

BUSINESS INFORMATION:

Business Name

Business Street Address, City, State, Zip Code

Business Telephone (including Area Code)

Point of Contact

Business Tax ID#

PRINCIPAL INFORMATION:

Name

Name

Street Address

Street Address

Social Security Number

Social Security Number

Name

Name

Street Address

Street Address

Social Security Number

Social Security Number

REPORT TYPE REQUESTED FOR: (Mark ONLY those you want ordered)

Comprehensive Report (\$18.55) #ordered

Individual (Business Owner Report) (\$15.00) #ordered

\$

\$

Comprehensive Report Fee(s) Collected

Individual (Business Owner Report) Fee(s) Collected

Date Collected

Collecting Official

Person Requesting/Title

Date Requested

Office Address:

TEL# FAX #

Report is to be provided to:

TO BE COMPLETED BY STATE COORDINATOR ONLY:

Report provided: Date Mailed Faxed: E-mailed

