



QUICK GUIDE GUARANTEED RESIDENTIAL LOAN USDA, RURAL DEVELOPMENT - FL/VI



Updated January 18, 2012

Features	Benefits
No down payment	Borrowers without savings, or who wish to retain their savings qualify
100% financing	100% LTV without the fee included. Exceed 100% by amount of RD fee financed.
Loan not limited by contract	Wrap closing costs into loan when appraisal is higher than purchase price.
No limit on TLTV	Junior liens are allowed for closing cost or down payment assistance.
No reserves	No need for seasoned funds, bank statements, or bank accounts
Base ratios 29/41 Expand to 31/43 homes built post Jan 01	Customers with satisfactory credit may qualify with higher ratios to accommodate high costs housing areas, etc.
One time guarantee fee can be rolled into the loan	Fee amount can be always included regardless of appraised value with reasonable repayment ability. Fee is 2.0% on purchase loans, 1.5% on refinance of RD loans.
Generous income limits based on 115% U.S. median income (not based on HUD area limits)	Deductions are available for dependents, daycare, elderly households, etc. to assist individuals and families in qualifying for the loan. See chart on next page.
No maximum purchase price	Clients choose the home that meets their needs and repayment ability.
Not limited to first time buyers	Cannot own suitable property in the local commuting area.
Unrestricted gifts	No limitation on source of funds for closing costs. No seasoning requirement.
Education/training substitute for job tenure.	Income history requirement is waived.
Lowest payment next to VA	Best rate; 30-yr fixed term; less eligibility issues
No seasoning of title	Time seller held property is not an issue.
Paperless-GO GREEN	All loan packages are handled electronically.

Test every customer for Rural Development eligibility:



- **Is the property in an eligible area?** Check address at: <http://eligibility.sc.egov.usda.gov> Click on 'single family' under the link "Property eligibility". Type in address or go to map. Pinellas, Monroe, and Broward Counties are not eligible.
- **Is their household income within the Agency limits?** See the chart. Use the fast easy calculator at <http://eligibility.sc.egov.usda.gov> Click on 'single family' under 'Income Eligibility'
- **Do they have reasonable credit?** Your lender's underwriter makes the credit decision. Our streamlined processing does not require credit explanations if the FICO is 640 or higher (EXCEPT with recent BK, FC, FED debt). Alternate credit is acceptable. 580 and below would be rare. A 670+ score is a stand-alone compensating factor. The lender's underwriter makes the final decision on creditworthiness.
- **Do they have reasonable repayment ability?** Ratios are 29/41% (31%/43% for homes built after Jan 1, 2001) but can be waived when it makes sense.

No PMI: However, a .3% (.003) annual fee will be assessed.

Rural Development is a direct guarantor. There is no mortgage insurance and the Guarantee remains at the maximum of 90% of original principal borrowed. Fee cannot be prepaid and is billed annually to the servicing lender.

Rate and Term: 30 year fixed, very competitive conventional rate

Maximum adjusted gross household income: **UPDATED EFFECTIVE JANUARY 18, 2012**

Project the cumulative gross income of all adults in the household.

THE TOTAL INCOME CAN BE MUCH HIGHER THAN THE ADJUSTED INCOME LIMITS

If total income exceeds the limits, certain adjustments can be made, such as childcare expenses for children age 12 or younger. You can deduct \$480 for anyone under 18 or a student who is not one of the applicants. Other deductions may be available. No need to memorize deductions. Use the calculator at

<http://eligibility.sc.egov.usda.gov> Click 'single family' under "Income Eligibility"

Example: Clay County 4-person family (2 adults, 2 children) has a gross income of \$89,300. Child care for the two children age 12 or less is \$10,940 annually. Is the threshold income at or below the limit? **YES**. \$89,300 less 10,940 child care less \$480 for each child = \$77,400.

COUNTIES	1- 4 person household	5 - 8 person household
All FL & VI counties EXCEPT those listed below:	\$74,750	\$ 98,670
Clay, Duval, Nassau, St Johns	\$77,400	\$102,168
Collier	\$83,750	\$110,550
Manatee and Sarasota	\$75,200	\$99,264
Okaloosa	\$78,650	\$103,818
Palm Beach	\$87,550	\$115,566
NOT ELIGIBLE are Broward, Pinellas and Monroe		
Add 8% of 1-4 person limit for each person in excess of 8 persons.		

Other eligibility criteria:

- U.S. citizen or permanent resident or qualified alien.
- Financed dwelling must be primary residence.
- Property must be residential.



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YOUR
BUSINESS!
USE THIS
PRODUCT!**

Property requirements:

- New or proposed home construction: Meet the state code. Use State certified or FHA appraiser.
- Existing homes (over 12 mo. Old or previously occupied): Meet current FHA standard for existing property. FHA appraisers can be found on the FHA web site: <https://entp.hud.gov/idapp/html/apprlook.cfm> They complete the URAR and note items needing repair, if any, and certify that the home meets FHA minimum requirement.
- Repairs and closing costs may be wrapped into the loan.

Manufactured home: New manufactured homes purchased from an Agency approved dealer may be financed. See RD for restrictions. Existing units (over 12 mo old or previously occupied) cannot be financed.

Modular home: No restriction

Condo and town home: Must meet the requirements of Fannie Mae, Freddie Mac, VA, or FHA.

Flood Zone:

- Existing dwellings located in a special flood hazard area must have federal flood insurance coverage.
- New construction* in the 100-yr BFE is not permitted unless: infill lot with city water/sewer or a Letter of Map Revision/Amendment (LOMR/LOMA) is issued by FEMA prior to requesting the guarantee on the loan.
*New construction has a CO issued within past 12 months or is proposed construction.

Challenges:

- No co-signors residing outside of the household.
- In-ground swimming pools. The loan, not including RD fee, is limited to the appraised value WITHOUT the pool. The FHA appraiser must justify value 'as is' AND a value as if the property had no pool. The value of the pool must be established and justified.

Additional information at: www.rurdev.usda.gov/fl/quarrhs.htm

Find a Rural Development office: http://www.rurdev.usda.gov/recd_map.html

THINK “RD” FIRST!

100% Guaranteed financing offers your clients the most affordable payment, less out of pocket cost, and a competitive fixed interest rate.

Agency staff is available to assist you with seminars for your staff or customers.

http://www.rurdev.usda.gov/recd_map.html

COUNTY	LOCATION	PHONE NUMBER	EXT	COUNTY	LOCATION	PHONE NUMBER	EXT
Alachua	Ocala	(352)732-7534	4	Leon	Marianna	(850)526-2610	4
Baker	Lake City	(386)719-5590	7	Levy	Ocala	(352)732-7534	4
Bay	Marianna	(850)526-2610	4	Liberty	Marianna	(850)526-2610	4
Bradford	Lake City	(386)719-5590	7	Madison	Lake City	(386)719-5590	7
Brevard	Davenport	(863)420-4833	7	Manatee	N. Fort Myers	(239)997-7331	4
Broward	NOT ELIGIBLE			Marion	Ocala	(352)732-7534	4
Calhoun	Marianna	(850)526-2610	4	Martin	N. Fort Myers	(239)997-7331	4
Charlotte	N. Fort Myers	(239)997-7331	4	Monroe	NOT ELIGIBLE		
Citrus	Ocala	(352)732-7534	4	Nassau	Lake City	(386)719-5590	7
Clay	Lake City	(386)719-5590	7	Okaloosa	Crestview	(850)682-2416	4
Collier	N. Fort Myers	(239)997-7331	4	Okeechobee	N. Fort Myers	(239)997-7331	4
Columbia	Lake City	(386)719-5590	7	Orange	Davenport	(863)420-4833	7
Dade	N. Fort Myers	(239)997-7331	4	Osceola	Davenport	(863)420-4833	7
DeSoto	N. Fort Myers	(239)997-7331	4	Palm Beach	N. Fort Myers	(239)997-7331	4
Dixie	Ocala	(352)732-7534	4	Pasco	Davenport	(863)420-4833	7
Duval	Lake City	(386)719-5590	7	Pinellas	NOT ELIGIBLE		
Escambia	Crestview	(850)682-2416	4	Polk	Davenport	(863)420-4833	7
Flagler	Ocala	(352)732-7534	4	Putnam	Ocala	(352)732-7534	4
Franklin	Marianna	(850)526-2610	4	Santa Rosa	Crestview	(850)682-2416	4
Gadsden	Marianna	(850)526-2610	4	Sarasota	N. Fort Myers	(239)997-7331	4
Gilchrist	Ocala	(352)732-7534	4	Seminole	Ocala	(352)732-7534	4
Glades	N. Fort Myers	(239)997-7331	4	St. Croix	St. Croix, VI	(340)773-9146	4
Gulf	Marianna	(850) 526-2610	4				
Hamilton	Lake City	(386)719-5590	7	St. Thomas	St. Croix, VI	(340)773-9146	4
Hardee	N. Fort Myers	(239)997-7331	4	St. Johns	Lake City	(386)719-5590	7
Hendry	N. Fort Myers	(239)997-7331	4	St. Johns (VI)	St. Croix, VI	(340)773-9146	4
Hernando	Davenport	(863)420-4833	7	St. Lucie	N. Fort Myers	(239)997-7331	4
Highlands	N. Fort Myers	(239)997-7331	4	Sumter	Ocala	(352)732-7534	4
Hillsborough	Davenport	(863)420-4833	7	Suwannee	Lake City	(386)719-5590	7
Holmes	Crestview	(850)682-2416	4	Taylor	Lake City	(386)719-5590	7
Indian River	N. Fort Myers	(239)997-7331	4	Union	Lake City	(386)719-5590	7
Jackson	Marianna	(850)526-2610	4	Volusia	Ocala	(352)732-7534	4
Jefferson	Marianna	(850)526-2610	4	Wakulla	Marianna	(850)526-2610	4
Lafayette	Lake City	(386)719-5590	7	Walton	Crestview	(850)682-2416	4
Lake	Ocala	(352)732-7534	4	Washington	Marianna	(850)526-2610	4
Lee	N. Fort Myers	(239) 997-7331	4				

GO TO: www.rurdev.usda.gov/fl
 Home page of Rural Development Florida & Virgin Islands
www.rurdev.usda.gov/fl/quarrhs.htm
 Detailed information on the guaranteed residential loan program
<http://eligibility.sc.egov.usda.gov/>
 Interactive mapping system and income calculator. Instantly discover if property is eligible.
www.rurdev.usda.gov
 National home page of Rural Development
www.rurdev.usda.gov/regs
 National Regulations and directives.

WANT MORE INFORMATION?

To subscribe to our emailed notices/updates or other available lists or to unsubscribe an old email address and subscribe a new email address, go to <http://www.rdlist.sc.egov.usda.gov>
Enter your email address and click on the appropriate e-mail list(s) to which you wish to subscribe. Then click on the "Subscribe" button.

Be sure to click the box for "SFH Florida" (near the bottom).

Single Family Housing Guaranteed Loan Program State E-Mail List
(FL/VI Single Family Guaranteed Loan Program)

SFH Florida

By subscribing to be a member on the FL/VI Single Family Guaranteed Loan Program e-mail lists, you will receive information concerning the USDA Single Family Housing Guaranteed Loan Program from the FL/VI Single Family Guaranteed Loan Program. The information provided in this list is administered by the State and the information provided may be State specific information or may be similar to the other e-mail lists for Originations, Guaranteed underwriting System or Servicing. To subscribe, please enter your e-mail address above, click the box at left to select the list, and then click the 'Subscribe' button at the bottom of this page. If you have any questions, please send them to our Webmaster: kristie.allen@fl.usda.gov

Also, for more information regarding Florida/Virgin Islands Guaranteed Loans please visit our website at <http://www.rurdev.usda.gov/fl/quarrhs.htm>

THANK YOU FOR PARTICIPATING IN THE RURAL DEVELOPMENT, USDA, GUARANTEED RESIDENTIAL LENDING PROGRAM.