

TO: Participating GRH Lenders
FROM: Iowa's USDA, Rural Housing Service Single Family
Guaranteed Rural Housing (SF-GRH), January 2004

**** PLEASE DISTRIBUTE TO ALL WHO UTILIZE THE GRH PROGRAM ****

NEW NEWS

Iowa Finance Authority (IFA) has *reduced* the interest rate for the FirstHome Program! The interest rate for 25 or 30 year fixed-rate mortgages will be **5.50%** effective January 21, 2004. They *increased* the FirstHome Plus Grant to **\$2,004** effective January 12, 2004! If you are not already a participating lender, please contact Lisa Braunschweig at Iowa Finance Authority, 100 E. Grand, Suite 250, Des Moines, IA 50309, (515) 242-4990 or 1-800-432-7230, or email: <mailto:lisa.braunschweig@ifa.state.ia.us>.

We experienced some **technical difficulties** with the online Iowa GRH Lender **Handbook**. It has now been updated. The entire handbook may always be found at <http://www.rurdev.usda.gov/ia/rhsg.html>. You'll find the latest improvements on the following pages:

- ☆ Table of Contents Page I
- ☆ Exhibit E
- ☆ Exhibit H-1
- ☆ Pages 1 through 9
- ☆ Exhibit H

Each page now has a revision date in the lower right corner. Please update your hard copies if you have them!

Please note the **change of address** for Karen Riskedahl, Loss Claim Processor (lender assignments have not changed):

USDA, Rural Development Phone) 712-732-1851
1619 N Lake Fax) 712-732-6059
PO Box 1107 email is unchanged at karen.riskedahl@ia.usda.gov
Storm Lake, IA 50588-1107

The **Loss Claim Map** may still be found at <http://www.rurdev.usda.gov/ia/rhsgupdate.html>.

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☺ GRH FY 2004 **FUNDS** ARE AVAILABLE ☺

Our fax machines are waiting for those reservation requests! We are looking forward to another great year!

Please use the 10/03 **revision** of the [1980-86, Request for Reservation of Funds](#).

LOAN PROCESSING

Rural Development offices will **accept** a copied or faxed [1980-21, Request for Single Family Housing Loan Guarantee](#) with the appropriate signatures at application. The original document with original signatures will be required prior to issuance of the Loan Note Guarantee.

Please provide all pages of the final **underwriting** document when submitting a package to Rural Development.

A **pest inspection** showing activity requires *treatment*. An inspection showing damage requires a *structural engineer's report* and repairs made as per the report. The initial inspection and structural engineer's report (when applicable) must be submitted with the application package to Rural Development. A Conditional Commitment *will not* be issued prior to receipt of these.

Our staff remains committed to providing excellent service with a **24 hour turnaround** of complete application packages.

SERVICING

A few Iowa lenders were listed as not submitting **quarterly reports** this time. We'll be in contact!

Servicers are to report on the status of ALL GRH borrowers on a quarterly basis and Delinquent GRH borrowers on a monthly basis. This not only affects the default servicing but also the paid in full process. Reporting is done online at USDA LINC <https://usdalinc.sc.egov.usda.gov>. Lenders may call toll free 877-636-3789, or email guaranteed.loan@stl.rural.usda.gov to obtain a Trading Partner Agreement (TPA) to sign up for an ID to access the automated reporting system.

The following direction may be found on the new-and-improved page 8 of Iowa's online GRH Handbook:

*When a GRH loan is **Paid in Full**, the holder or servicer of the loan is to return the original Loan Note Guarantee to Rural Development stamped "Paid-in-Full" and notated with the date it was paid in full. It is not necessary to send a copy of the note.*

The stamped Loan Note Guarantee is to be returned to the Rural Development office where it was issued. The issuing office is shown on the back of the Loan Note Guarantee.

In addition to sending the Loan Note Guarantee to Rural Development, the loan must also be terminated electronically. This must be done during the next quarterly reporting period via the Electronic Data Interface (EDI) status reporting system by changing the Investor Reporting Action code to a "9".

Loss Claim Processing - A **Disposition Plan** must be issued to RD for concurrence within 30 days of acquisition of a GRH property. The AN 3861 may be found at <http://rdinit.usda.gov/regs/an/an3861.pdf>. The fillable Disposition Plan is available at <http://www.rurdev.usda.gov/ia/rhsgupdate.html>.

NEW ANs

ANs for the last 12 months may be found at http://rdinit.usda.gov/regs/an_list.html.

CONGRATULATIONS (AND THANK YOU)

Iowa USDA, Rural Development Single Family Housing Guaranteed, 5 top loan writing lenders for 2003:

1. **Iowa Bankers Mortgage Corporation** -- Iowa
101 loans closed -- \$5,506,109.00
2. **Wells Fargo Home Mortgage** -- Iowa
91 loans closed -- \$6,180,380.50
3. **Chase Manhattan Mortgage Corporation** -- Iowa
49 loans closed -- \$3,240,323.00

4. **United Bank of Iowa** -- Carroll, Denison, Ida Grove, & Fort Dodge
46 loans closed -- \$2,409,245.00
5. **Peoples Bank** -- Rock Valley & Sioux Center
41 loans closed -- \$2,772,175.00

A few more deserve **HONORABLE MENTION** for having 30+ loans in calendar year 2004:

- ☆ **F & M Bank Iowa Central** – Marshalltown, Newton, & Grinnell
- ☆ **Farmers Trust & Savings Bank** -- Spencer
- ☆ **First Federal Bank** – Sioux City & Newton
- ☆ **First State Bank Iowa** – New Hampton

	Calendar Years		<i>Increase</i>
	<u>2003</u>	<u>2002</u>	
Total Closed GRH Loans	1,045	692	51.01%
Total Dollars	\$67,276,594.44	\$42,592,367.05	57.95%
Average Loan	\$64,379.52	\$61,549.66	4.60%

**THANK YOU to all for participating in the program and making it a GREAT YEAR.
We look forward to working with you to help even more families in 2004!**

USEFUL INFO

Iowa GRH Handbook <http://www.rurdev.usda.gov/ia/rhsg.html>
 All Iowa GRH Newsletters <http://www.rurdev.usda.gov/ia/rhsgupdate.html>
 RD Properties for Sale <http://www.resales.usda.gov/>
 USDA, Rural Development <http://www.rurdev.usda.gov/>
 Iowa USDA, Rural Development <http://www.rurdev.usda.gov/ia/>

USDA, Rural Development offices will be **closed** on the following holidays:
 Monday, February 16, 2004 – President’s Day
 Monday, May 31, 2004 – Memorial Day

Iowa State Office Single Family Housing Staff

Bruce McGuire, Program Director - bruce.mcquire@ia.usda.gov
Heather Honkomp, Single Family Housing Specialist - heather.honkomp@ia.usda.gov
LindaKay Rhoades, Rural Housing Specialist - linda.rhoades@ia.usda.gov
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To request **changes to our email list** such as removals or additions, please e-mail lynn.eilders@ia.usda.gov with your request. Be sure to include contact name, business name, location, phone number, and email address. We appreciate your assistance with the maintenance of our email list. Thank you.