



# Guaranteed News

August/September 2008

## Best Year Ever!

### Fiscal Year 2008 ends September 30th!

The Single Family Housing Guaranteed Loan Program (SFHGLP) has enjoyed tremendous success in 2008. Fiscal year 2008 is the current record holder for "Best Year Ever" with Guaranteed Loan production up 88.5% in dollars obligated as of 7/31/2008. USDA Rural Development is thankful to all of our lending partners who choose Guaranteed financing. Without this support, Rural Development would not be able to fulfill our mission to serve more rural homebuyers with affordable rates and terms.

Funding is anticipated to be available until the end of FY 2008. Rural Development will issue funding updates through the ListServ email notification system. ListServ is free. Sign up for ListServ online: <http://www.rdlist.sc.gov.usda.gov/listserv/mainservlet>.

ListServ offers email updates for Guaranteed Origination (this includes funding updates), GUS (Guaranteed Underwriting System), and Servicing. Choose one or all and be sure to click on the "Subscribe" button located near the bottom of the ListServ page.



### Drop that phone! CAIVRS exclusively online October 1, 2008.

HUD will officially terminate CAIVRS telephone access October 1, 2008, in favor of online access. Lenders who are non-FHA approved lenders, will still be able to gain access to the Credit Alert Interactive Voice Response System (CAIVRS). Each non-FHA lender must request at least one Application Coordinator User ID, as well as a Standard User ID for each individual user. Lenders should access CAIVRS sign up information online.

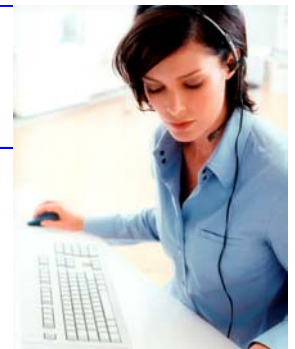
Useful CAIVRS links:

HUD CAIVRS homepage: [http://www.hud.gov/offices/hsg/sfh/sys/caivrs/caivrs\\_faq.cfm](http://www.hud.gov/offices/hsg/sfh/sys/caivrs/caivrs_faq.cfm)

FHA Approved Lenders: <https://entp.hud.gov/clas/index.cfm>

Non-FHA Approved Lenders: <https://entp.hud.gov/caivrs/public/home.html>

Sign up soon to ensure no interruptions in processing Guaranteed Loan files.



### Administrative Notices: The latest updates on hot topics!

Administrative Notices (AN's) provide additional guidance to Agency staff and Lenders on origination and servicing topics for the Guaranteed Loan Program.

AN's are available online at: [www.rurdev.usda.gov/regs](http://www.rurdev.usda.gov/regs).

Click on "Administrative Notices" on the left side menu. Recent AN's include:

AN 4363: Acceptable Alternative Documentation to Verify the Applicant's Employment Income

AN 4365: Appraisals in Remote Rural Areas

AN 4364: Existing Dwelling Inspection Requirements; Acceptable Origination Appraisal Forms

AN 4366: Approved Lender Underwriting Guidelines, Debt Ratio Waivers, Payment Shock, and Collection Accounts

AN 4367: Determining Repayment Income for Self-Employed Applicants





## Guaranteed Underwriting Saint! GUS Version 5.3.1 scores big with lenders!

USDA Rural Development was proud to release a new version of GUS on July 2, 2008. Active GUS lenders have responded with tremendous satisfaction and appreciation for the many upgrades that are a result of lender suggestions. New enhancements include:

1. Streamlined application pages reduce data collection by approximately 40%.
2. Streamlined 1003 format provides for efficient and simplified data collection.
3. Enhanced speed on the "Eligibility" page allows users to move quickly through data entry to determine property and income eligibility for potential applicants.
4. Dynamically designed credit and underwriting page providing the user a simplified approach to credit and underwriting.

Single Family Housing Guaranteed Loan submissions in GUS have exploded in July with over 3,700 underwriting submissions. GUS is a free online application available 24/7. Over 450 approved lenders are actively using GUS.

GUS benefits participating lenders and Rural Development by offering:

- Streamlined underwriting and submission guidelines for "Accept" underwriting recommendations
- "Underwriting Findings Report" to assist lenders in evaluating loan files
- Reduced processing time and costs
- Improved quality of the Single Family Housing Guaranteed Loan Portfolio
- Exceptional value to lending partners (GUS is FREE!)
- GUS is a powerful underwriting system that greatly reduces time, cost, and subjectivity associated with mortgage loan underwriting.

Rural Development continues to develop additional enhancements and functionality for GUS to accommodate our lending partners. Contact USDA Rural Development to obtain a "Lender Contact Sheet" which is the first step toward obtaining GUS authorization.



## BACK TO SCHOOL! Can you make the grade?

1. Lenders should contact Rural Development to gain access to CAIVRS online. True or False
2. Lenders can access all Administrative Notices online. True or False
3. Lenders utilizing GUS must print off the final "Underwriting Findings Report" and retain it in their permanent case file. True or False
4. "Loan Amount" entered on the "Loan Terms" application page in GUS, must include only the purchase price. True or False
5. GUS Version 5.3.1 features streamlined application pages that reduce data collection by approximately 40%. True or False

1. FALSE: Rural Development does not operate CAIVRS. Lenders should follow the guidance to access CAIVRS online located on page one of this newsletter.

2. TRUE: Lenders may access all Administrative Notices at [www.rurdev.usda.gov/regs](http://www.rurdev.usda.gov/regs).

3. TRUE: Lenders must print out and retain the final underwriting findings report.

4. FALSE: "Total Loan Amount" should reflect the total loan, which in addition to the purchase price may include, closing costs, eligible repairs, lender fees, and the guarantee fee.

5. TRUE: Streamlined application pages that focus on data imperative to the underwriting decision is only one tremendous benefit now available through the latest version of GUS.



**Contact USDA Rural Development today!**