

RD AN No. 4465 (1980-D)  
July 16, 2009

TO: State Directors  
Rural Development

ATTENTION: Housing Program Directors,  
Guaranteed Loan Specialists,  
Area Directors and Area Specialists

FROM: Tammye H. Trevino                   *(Signed by Tammye H. Trevino)*  
Administrator  
Housing and Community Facilities Programs

SUBJECT: Single Family Housing Guaranteed Loan Program  
Checklist for Guaranteed Loans

**PURPOSE/INTENDED OUTCOME:**

This Administrative Notice (AN) introduces a uniform checklist to assist the Agency in processing Single Family Housing Guaranteed Loan requests. The checklist is intended to be utilized, as a tool, to achieve uniformity among States on required data and documentation in responding to a lender's request for Conditional Commitment for Loan Note Guarantee. This document is intended to replace all state created checklists.

**COMPARISON WITH PREVIOUS AN:**

There is no previous AN issued.

**EXPIRATION DATE:**  
July 31, 2010

**FILING INSTRUCTIONS:**  
Preceding RD Instruction 1980-D

## **BACKGROUND:**

The Single Family Housing Guaranteed Loan Division has developed a uniform checklist in response to Agency and lender requests to ensure nationwide consistency with RD Instruction 1980-D, Section 1980.353(c).

## **IMPLEMENTATION RESPONSIBILITIES:**

The checklist should be used as a tool to assist in developing, processing and closing Section 502 Guaranteed Rural Housing Loans.

The checklist was developed to ensure:

- Complete applications are received by the Agency in consideration for Single Family Housing Guaranteed Loan Program (SFHGLP) guarantee.
- Consistency among states and lenders in documentation requirements; and,
- All minimal essential documents will be available for lender compliance and loan file reviews in the lender's permanent loan mortgage file and the Agency's record.

The checklist may be imaged at the discretion of the state.

## **SUMMARY:**

The SFHGLP will now utilize the uniform checklist to process and review Guaranteed Loans.

Questions regarding this AN may be directed to Kristina Zehr at (309) 452-0830, ext. 111, or Joaquin Tremols at (202) 720-1452. Their respective email addresses are [kristina.zehr@wdc.usda.gov](mailto:kristina.zehr@wdc.usda.gov) and [joaquin.tremols@wdc.usda.gov](mailto:joaquin.tremols@wdc.usda.gov).

Attachment

**Rural Development - Guaranteed Rural Housing Agency Documentation and Processing Checklist**

Applicant's Name: \_\_\_\_\_  
 Co-Applicant's Name: \_\_\_\_\_  
 Submitting Lender: \_\_\_\_\_ Tax ID# \_\_\_\_\_  
 Approved Lender: \_\_\_\_\_ Tax ID# \_\_\_\_\_

Written documentation of the following should be submitted, in accordance with §1980.353(c) of RD Instruction 1980-D when requesting a Conditional Commitment for Loan Note Guarantee. GUS Underwriting Recommendations of "Refer" and "Refer with Caution" will adhere to "Manual UW" requirements.

Date		Processing Steps
_____		<b>Package received from Lender</b>
_____		<b>Confirm property in eligible rural area</b>
_____		<b>Form RD 410-7, Notification to Applicant on Use of Financial Information From Financial Institution</b> sent to applicant(s)
_____		<b>Checked <a href="http://www.epls.gov">www.epls.gov</a></b> – Applicant(s) or Contractor, <i>as applicable</i>
_____		<b>Checked ADPS</b> – Current/Past Debts
_____		<b>Checked MortgageServ</b> – Customer Cross Reference
_____		<b>Checked GUS</b> for "Final" Submission from Lender
		<input type="checkbox"/> <b>First-Time Homebuyer</b>
		<input type="checkbox"/> <b>Veteran</b>
GUS ACCEPT	Manual UW	Documentation
<b>X</b>	<b>X</b>	
<input type="checkbox"/>	<input type="checkbox"/>	<b>Form RD 1980-21, Request for Single Family Housing Loan Guarantee</b> , executed by all borrowers and lender
		<input type="checkbox"/> Documentation of CAIVRS <input type="checkbox"/> Completed and executed
		<b>Interest Rate</b> (from Form RD 1980-21):
		<input type="checkbox"/> Fannie Mae or <input type="checkbox"/> VA <b>Locked Date:</b> _____
		<input type="checkbox"/> Floating
	<input type="checkbox"/>	<b>Underwriters Analysis</b> (FNMA 1008/FHLMC 1077) - executed by Underwriter
<input type="checkbox"/>		<b>GUS Underwriting Findings and Analysis Report</b> , <i>last pass retained in lender's permanent case file. Agency obtains report from GUS.</i>
	<input type="checkbox"/>	<b>Uniform Residential Loan Application</b> (FNMA 1003/FHLMC 65) executed by the applicant and interviewing lender
	<input type="checkbox"/>	<b>Credit Report</b>
		<input type="checkbox"/> Merged or <input type="checkbox"/> RMCR or <input type="checkbox"/> Non-traditional
		<b>Credit Score:</b> PB: _____ CB: _____
	<input type="checkbox"/>	<b>Verification of Rent</b> – required for files that do not qualify for streamlined documentation
	<input type="checkbox"/>	<b>Repayment Ratio Waiver Request</b> – when ratios exceed 29/41
	<input type="checkbox"/>	<b>Documentation of Credit Waiver</b> – required for files that do not qualify for streamlined documentation
	<input type="checkbox"/>	<b>Income Verification</b>
		<input type="checkbox"/> Full Doc: – Written VOE; 1 paystub w/ YTD
		<input type="checkbox"/> Alt Doc: Verbal VOE supported with 30 days earning statements with YTD and 2 years W-2's or income tax returns
		<input type="checkbox"/> Other income verification (SS, retirement, etc.)
		<input type="checkbox"/> Self-employment verification: 2 yrs tax returns, P/L, Balance Stmt
<input type="checkbox"/>	<input type="checkbox"/>	<b>Evidence of qualified alien</b> , <i>if the applicant is not a US citizen</i>



GUS ACCEPT X	Manual UW X	Documentation
<b>Post Closing, cont'd</b>		
<input type="checkbox"/>	<input type="checkbox"/>	<b>Confirmation of Escrow Development completion</b> , as applicable [Loan Note Guarantee may be issued if established in accordance with §1980.315, RD 1980-D]
<input type="checkbox"/>	<input type="checkbox"/>	<b>Form RD 1980-11</b> , Lender Record Change, as applicable
<input type="checkbox"/>	<input type="checkbox"/>	<b>Form RD 1980-17, Loan Note Guarantee</b> Issued: _____
<b>Wholesale Lockbox Procedures (WLB)</b>		
<input type="checkbox"/>	<input type="checkbox"/>	<b>Guarantee Fee, Purchase Loan</b> Loan Amount x 2% = \$ _____ Fee may be within \$10.00 to process Loan Note Guarantee request
<input type="checkbox"/>	<input type="checkbox"/>	<b>Guarantee Fee, Refinance</b> Loan Amount x .5% = \$ _____ Fee may be within \$10.00 to process Loan Note Guarantee request
<input type="checkbox"/>	<input type="checkbox"/>	Prepare <b>Form RD 1951-49, Register of Collections</b> prepared in accordance with FMI
<input type="checkbox"/>	<input type="checkbox"/>	Prepare <b>Form RD 451-2, Schedule of Remittances</b>
<input type="checkbox"/>	<input type="checkbox"/>	Balance collection package – prepare <b>Form RD 1951-60, Field Office Remittance Reconciliation Report (FORRR)</b>
<input type="checkbox"/>	<input type="checkbox"/>	<b>Submit collection(s) to the WLB</b>
<b>GLS Loan Closing Transaction</b>		
<input type="checkbox"/>	<input type="checkbox"/>	Complete <b>Add Loan Closing Screen</b> in GLS Date Processed: _____

Checklist completed by (initials) \_\_\_\_\_