



NEWS RELEASE

United States Department of Agriculture • Rural Development

101 South Main • Suite 102 • Temple, TX 76501

Phone: (254) 742-9756 • Fax: (254) 742-9709 • TDD: (254) 742-9700 • Web: <http://www.rurdev.usda.gov/tx>

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Contact Name: Gayle Ledyard
Telephone Number: 254-742-9770
Email: Gayle.Ledyard@tx.usda.gov

USDA RURAL DEVELOPMENT INTRODUCES GUARANTEED UNDERWRITING SYSTEM PILOT

TEMPLE, TEXAS, October 4, 2006 – Lenders will soon have the ability to underwrite USDA Single Family Housing Guaranteed Loans using the new Guaranteed Underwriting System (GUS). GUS was developed by USDA Rural Development to automate a manual underwriting process, which considers loan applications for approval. A unique GUS feature is that it determines a borrower's income and a property's eligibility for the Single Family Housing Guaranteed Loan Program.

“The Guaranteed Rural Housing Program not only provides decent and affordable housing, but is an important component of USDA's economic development efforts,” said Bryan Daniel, Texas State Director of USDA Rural Development. “The availability of affordable housing is often a key element in whether a business decides to locate or remain in a rural community.”

GUS will enable participating lenders to receive faster loan decisions, streamlined documentation requirements, better quality loans, more consistency in program delivery, and will fulfill legal requirements under the Government Paperwork Elimination Act and the Freedom to E-File Act.

USDA Rural Development began a national market test of GUS on August 1, 2006, with eight lenders. In Texas, Allied Home Mortgage Capital Corporation piloted the program under the direction of David Hail, Vice President. Additional lenders will be added to the market test later this year in preparation for full GUS implementation in January 2007.

Guaranteed Loans are made to qualifying low- and moderate-income families to purchase homes in rural areas. The loans are made by mortgage lenders, such as banks, credit unions and mortgage companies.

The USDA Rural Development local office that serves your area can be located at <http://www.rurdev.usda.gov/tx/officeinfo.htm>, or call the State Office Housing Program at (254) 742-9770. Allied Mortgage Capital Corporation can be reached at 2602 Ridge Road, Suite 200, Rockwall, Texas 75087, (972) 772-5140, or at www.alliedmtgcapital.com.

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