



WI RURAL HOUSING NEWSFLASH

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FISCAL YEAR 2007 FUNDING INFORMATION

Thanks to your efforts, we were able to issue Conditional Commitments on 314 loans for over \$32.5 million. Ample funding should remain available throughout the remainder of this fiscal year. Please continue faxing Form RD 1980-86, "Request for Reservation of Funds", to Rural Development as part of your loan processing. Please contact our Agency if you need to extend or cancel an existing Reservation of Funds request.

NEW INCOME LIMITS

Effective April 12th, the income limits for the GRH loan program were updated. The attachment shows the new income limits based on household size and county. The changes were minimal in the eight counties that received increases. Most counties remain unchanged compared to last year. No counties had their income limits decreased. *The new income limits will be posted on the Wisconsin Rural Development website later this week.* The income limits for all states can be viewed on the national eligibility website at: <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>

Do you have a question or just want to learn more about the GRH program?

CONTACT US TODAY!

USDA Rural Development
State Office

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Stevens Point WI 54481

Phone:
866-GRH-3600

Fax:
715-345-7699

E-Mail:
RD_SFH_SO@wi.usda.gov



HELPFUL TIP

Verify
UPDATED Income Limits
and
Property Eligibility by clicking [here!](#)

Visit our website at <http://www.rurdev.usda.gov/wi/>
for complete information on Wisconsin's GRH Loan Program.

"The USDA is an equal opportunity provider and employer."



WI RURAL DEVELOPMENT BUSINESS PLAN

During the past few months, our Agency has been realigning our staff and resources to better serve rural communities in Wisconsin. We have changed the structure of field offices from 14 Local Offices to six Area Offices effective May 1, 2007. Additional staff has been added to our Area Offices so that all programs can be delivered from each Area Office. In addition to the home ownership programs offered in the past, our staff will be providing financial assistance to rural areas using our community facility programs, business and industry programs, renewable energy programs, and special faith based initiatives. Attached you will find a map showing the counties served by each of our six Area Offices along with contact information for each Area Director and Program Director. If there are any changes to the GRH file submission process in your area, you will be notified by the Area Director. Lenders who typically submit their GRH files to the State Office for review may continue to do so.

NOTE

✓ GRH files previously sent to the **Elkhorn & West Bend** offices, should now be sent to the **Fond du Lac Area Office**.

✓ GRH files previously sent to the **Viroqua** office, should now be sent to the **Dodgeville Area Office**.

✓ Please continue to send State Office GRH files to the WI Rural Development State Office.

GRH LOAN PROGRAM ENHANCEMENTS

To ensure that the GRH loan program continues to be a lender driven mortgage product, changes to the documentation requirements of the GRH loan program are being made to be consistent with similar affordable home ownership financing programs. We appreciate the feedback that we have received from lenders over the years to improve the GRH program and our internal processes. The following changes are effective immediately:

Home Buyer Education - We will no longer be requiring lenders to document the completion of homebuyer education for first time buyers. Approved lenders who underwrite GRH loans may choose to require it, especially in situations involving high payment shock or other significant risk layering.

Grossing Up Non-Taxed Income - For qualifying purposes, lenders may gross up non-taxed income by 125 percent to improve the applicant's repayment ratios.

Income Calculations - Approved lenders who underwrite GRH loans are responsible for thoroughly documenting their income calculations in their case files (RD Inst. 1980-D, 1980.347). Agency staff will use the lender's income figures for both compliance and qualifying purposes. Lenders will continue to submit complete income documentation (full doc. or alt. doc.) for all sources of household income with their GRH applications. Agency staff will continue to verify that lenders have properly documented all sources of income, but we will not be recalculating the income on each file. As in the past, underwriting lenders seeking assistance with income calculations may submit a complete credit package to the Agency for a pre-approval. If your underwriting staff would like additional training on compliance and qualifying income calculations, please contact a Loan Specialist in your Area Office or the State Office for assistance.

