

SPECIAL POINTS OF INTEREST

FY 2007 FUNDING & RESERVATION OF FUNDS

SINGLE CLOSE CONSTRUCTION LOAN PILOT PROGRAM

LOAN ORIGATION ANs RE-ISSUED

SERVICING ANs RE-ISSUED

GIVE US A CALL!

Contact us at Rural Development to help you finance a home, multi-family housing, business, community facility or water and waste system in a rural area.

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Thank You for Your Support of the GRH Program in 2007!

Thanks to your efforts, we have been able to issue Conditional Commitments on 718 loans for over \$77 million during this fiscal year.

The USDA Rural Development Single Family Housing Guaranteed Loan Program (SFHGLP) has ample funds remaining in Fiscal Year 2007 (FY 2007). There will not be a shortage of available funding in FY 2007 and none is foreseen at this time for Fiscal Year 2008 (FY 2008).

What Happens after September 28, 2007?

While FY 2007 draws to a close on Friday, September 28, 2007, USDA Rural Development will continue accepting guarantee requests without interruption on October 1, 2007.

The SFHGLP will carry over unused funding from FY 2007 into FY 2008. This funding will become available for FY 2008 guarantees in mid-October.

Beginning on October 1, 2007 and continuing during the brief period of time which FY 2007 funds are converted to FY 2008 funds, USDA Rural Development will issue commitments "subject to the availability of appropriated funds" as it has in prior years. Rural Development will issue a separate notice concerning commitments "subject to the availability of appropriated funds" in the near future.

Aside from the funds that will carry over from FY 2007 into FY 2008, the President has proposed an amount exceeding \$4 billion for the SFHGLP in FY 2008!

In view of the abundant funding available for the SFHGLP, all approved lenders are encouraged to continue requesting conditional commitments and loan note guarantees with the confidence that funds are and will continue to be available.

Please submit your "Requests for Reservation of Funds" with your underwritten loan applications until we have received our FY 2008 funding.

Single Close Construction Loan Pilot Program



NEW PROGRAM AVAILABLE!

Wisconsin is one of 14 states recently selected to participate in a unique pilot program with Chase to offer the option of a "one time" closing on GRH new construction loans. This is a pilot program that allows a lender to provide 100% construction financing to GRH borrowers without the typical risks associated with high LTV construction lending.

Any lender can participate if they go through the proper channels. During this pilot, all files must be underwritten (cont. page 2)



## Single Close Construction Loan Pilot Program Cont.

and closed by Chase. Lenders who currently utilize Chase or Chase correspondent lenders are ready to begin today and start networking with builders and seeking our customers. Lenders who use other secondary market investors, but would like to offer a 100% construction financing product, can easily sign up with Chase to offer this particular program for their GRH customers.

The attachment to this newsletter was prepared by our National Office to explain the builder and project approval process as well as borrower and property eligibility. We are excited to be able to offer this enhancement to the GRH program in Wisconsin. Feel free to share this information with real estate agents, builders, and home buyers in your area.

## Loan Origination ANs Re-Issued

On July 9, 2007 **RD AN 4293**, "Single Family Housing Guaranteed Loan Program Section 8 Homeownership Vouchers" was issued to replace RD AN 4199 dated July 21, 2006. This AN clarifies how Section 8 Homeownership Vouchers may be used for qualifying applicants under the Single Family Housing Guaranteed Loan Program (SFHGLP).

On July 31, 2007 **RD AN 4302**, "Eligibility of Non-U.S. Citizens for Single Family Housing Guaranteed Loan Program Assistance and the Systematic Alien Verification for Entitlements Program" was issued to revise and replace RD AN 4200 which was dated July 26, 2006, and is hereby retired. Minor updates to the Class of Admission (COA) code tables have been made. Agency personnel

using SAVE are reminded that they should enter only Alien Identification Numbers into SAVE; social security numbers or other numbers will not yield valid results.

On August 13, 2007 **RD AN 4303**, "Single Family Housing Guaranteed Loan Program Condominium Requirements" was issued to replace RD AN 4196, dated July 10, 2006, which is hereby retired. This AN provides additional guidance relating to ineligible condominium project types under HUD, FNMA, FHLMC, or VA guidelines. This AN also takes into account certain changes to FHLMC Condominium Class II requirements.

## Servicing ANs Re-Issued

On July 25, 2007 **RD AN 4300**, "Single Family Housing Guaranteed Loan Program: Loss Claim and Future Recovery Processing", was issued to replace RD AN 4138 with the same title. This AN differs from the previous AN as it provides additional guidance on the various methods surrounding the processing of loss claims, further detail regarding utilizing the automated claim process and incorporates policy on collection of future recovery owed. This AN also incorporates RD AN 4210 (1980-D) dated August 31, 2006 "Report of Real Estate Owned (REO) Sold and Future Recovery of Sale Proceeds".

On September 11, 2007 **RD AN 4305**, "Single Family Housing Guaranteed Loan Program Form RD 1980-17, Loan Note Guarantee" was issued to replace RD

AN 4202 with the same title. This AN clarifies Rural Development's procedure on the issuance and retention of Form RD 1980-17, "Loan Note Guarantee," and affirms Agency policy on a lender's request for a duplicate copy.

## Just For Fun

### Did You Know These Facts About the Great State of Wisconsin?



- ★ The original Barbie is from Willows, WI. Barbie's full name is Barbie Millicent Roberts.
- ★ The nation's first kindergarten was established in Watertown in 1856. Its first students were local German-speaking youngsters.
- ★ Belleville is the Unidentified Flying Object Capital of Wisconsin.
- ★ Wisconsin snowmobile trails total 15,210 miles of signed and groomed snow highways.
- ★ With an average of 2,500 performers, Milwaukee's Summerfest is the nation's largest music festival.

(source: [www.shgresources.com/wi/facts/](http://www.shgresources.com/wi/facts/))

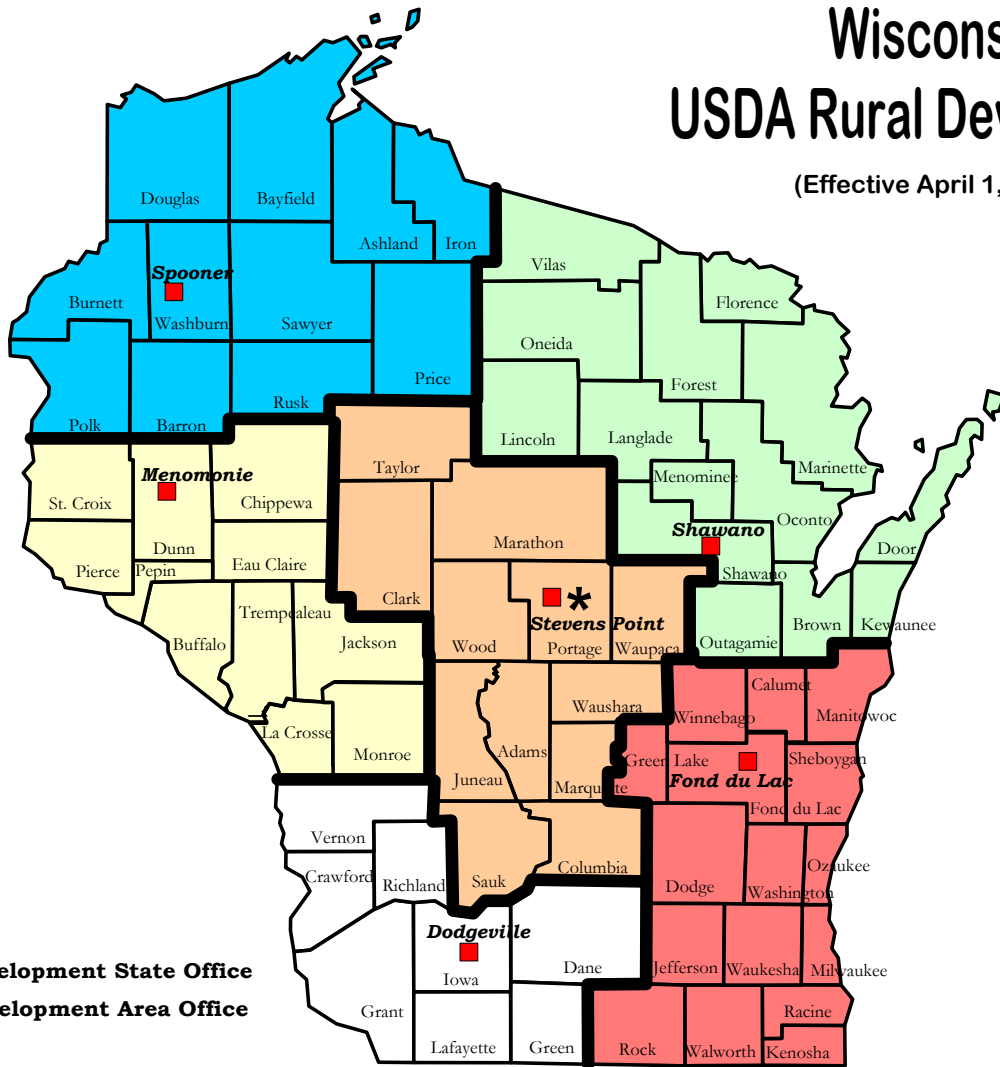
Interested in reading more on one of our AN's?

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Visit our website at:  
[www.rurdev.usda.gov/wi](http://www.rurdev.usda.gov/wi)

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(Effective April 1, 2007)



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