



Committed to the future
of rural communities.

GEORGIA

GUARANTEED RURAL

HOUSING HANDBOOK

(revised February, 2011)



Edward E. Peace
SFH Program Director

<http://www.rurdev.usda.gov/ga/grh.htm>

CONTENTS

Quick Facts and Direct vs. Guaranteed.....	3
Loan Guarantee Process.....	4
Loan Purposes ..	5
Loan Limits, Rates/Terms & Costs	6
Guarantee Fee	7
Lenders Best Practices.....	8
Guaranteed Underwriting System “GUS”.....	9
Applicant Eligibility	10
Income Limits for Georgia.....	11
Household Income Calculation	12
Credit History	13
Ratios	14
Sites.....	15
Property Eligibility.....	16-18
Dwelling Types	19
New Construction (less than 1 year old).....	20-21
Existing Dwellings	22
Appraisals.....	23
Underwriter Checklist for Appraisals	24
RD Forms & Websites.....	25
Form RD1980-21 – Example of How to complete the form.....	26-27
Administrative Notices (additional guidance to 1980-D instruction).....	28
Credit Waiver Form.....	29
Ratio Waiver Form.....	30
Checklist: GUS “Accept” Package Checklist & Manual/GUS Refer Checklist...	31-32
Final Submission Checklist	33
RD State Office Staff, Area Office Staff & County Listings.....	34-36

Quick Facts & Direct vs. Guaranteed

Quick Facts

- You can always loan up to 100% of appraised value; Up to 103.5% LTV when financing the 3.5% guarantee fee (no monthly fee)
- No Private Mortgage Insurance
- “Purchase loans” only (except for re-fi’s on existing USDA loans)
- Market rates
- No limit on seller concessions & gifts (check with your underwriter)
- Flexible credit / ratios
- Income & property location restrictions apply
- Underwriting lender guidelines may be more strict than RD (must follow those)

Direct Versus Guaranteed

- “Direct” loans:
 - Made by USDA *directly* to homebuyer by USDA Area Offices
 - Max. income limits of 80% of “median income”
 - Limited funds
 - Subsidized payments based on income (taxpayer assistance)
 - Subsidy “recapture” at end of loan
- “Guaranteed” loans:
 - Originated by Brokers and Originator
 - Underwritten and closed by USDA-Approved Lender
 - 115% of “median income”
 - Gov’t “Budget Authority” funds much more plentiful
 - No subsidy available, so no recapture involved

LOAN GUARANTEE PROCESS

1980-D, 1980.354-362

- Originating or underwriting lender determines if applicant meets Rural Development (RD) eligibility guidelines and if the property is located in an eligible area
- USDA approved underwriting lender should submit underwritten application packages using the GUS Accept Checklist (page 31) or the Origination Package Checklist for GUS Accept Full Docs, GUS Refers and Manuals (page 32) directly to Rural Development's Local Office serving the county in which the property is located (see pages 34-36). There is one common email box for Georgia if you are submitting GUS "Accept" files electronically. GUS Accept full doc, GUS Refers and Manuals must be sent by overnight mail.
- Rural Development Area Specialist or designee reviews package and issues *Conditional Commitment for Guarantee* or will express the need for additional information usually within 5 business days.
- Once Conditional Commitment is received, the lender may close the loan subject to the conditions listed.
- A Conditional Commitment is good for 90 days unless otherwise stated. It can be extended **one time only** for an additional 90 days upon written request to RD.
- After the loan closing, the Lender uses the RD Final Submission Checklist (page 33) and submits the closing package to RD along with the guarantee fee. All closing packages must be sent to the RD office that services the county in which the property is located regardless of which office originated the Conditional Commitment (see pages 34-36)
- RD reviews and issues the Loan Note Guarantee.

Loan Purposes

1980-D, 1980.310

Loan Purposes

- Purchase a new or existing dwelling/lot [includes townhouses (condo/PUD)], new manufactured homes
- Necessary appliances, energy saving measures and storm cellars
- Condominium units have special requirements (see [AN 4543](#))
- Legal fees, title services, loan closing costs (including the Guarantee Fee)
- Amounts to establish escrow accounts
- Payment of discount points (only for Low-Income applicants)
- Refinancing is limited to existing RD Guaranteed or RD direct loans. These loans have a 1% Guarantee Fee. If refinancing a direct loans to a guaranteed loan it may have subsidy recapture due. [See [AN 4511](#)]

Prohibited Loan Purposes

- Purchase or improvement of income-producing land, or buildings to be used principally for income-producing purposes, or buildings not essential for RH purposes, or to buy or build buildings which are largely or in part specifically designed to accommodate a business or income-producing enterprise. Properties that are closely associated with farm service buildings. Pages 17-18 of [1980-D regulation](#).
- In ground swimming are permitted as long as loan funds are not used to finance the contributory value of the swimming pool. Appraiser needs to state how much the pool adds to the value. Ex: if pool adds \$2,000 to value of property, then \$2,000 is reduced from appraised value. This amount then becomes maximum amount RD can guarantee plus the guarantee fee. If it adds \$-0-, we can still guarantee up to the appraised value. If there is no value appraiser must document reasoning for no value. An appraiser must not indicate that a swimming pool has no value simply because "this is a Rural Development guaranteed loan."
- Purchase an existing manufactured home
- Purchase of furniture or other personal property (except for necessary appliances above)
- Refinancing debts owed the Lender (other than construction/development & financing incurred with the proposed loan)
- Payment of fees, charges or commissions such as finder's or placement fees

Loan Limits, Rates, Terms & Costs

- Maximum loan amount is determined by repayment ability and appraised value.
- Maximum loan amount is:
 - 100% of appraised value if guarantee fee is NOT financed;
 - 103.5% of appraised value when the entire guarantee fee IS financed.
 - The appraised value can only be exceeded by the amount of the guarantee fee being financed. To get maximum loan amount when all of the fee is financed, divide the appraised value by .965.
- Loan amount may include all closing costs and guarantee fee.
- Payments must be made monthly.
- Term of loan must be 30 years.
- Property must be located within the eligible Rural Development Area.
- Late fee must not exceed HUD, FNMA or FHLMC limits and is not covered by guarantee.
- Interest rates cannot exceed the higher of either the FNMA 90 day posted yield fixed rate, plus 60 basis points (.6%) rounded up to the nearest one quarter of one percent (.25%) -or- the VA rate Lender charges VA customers. [Click here](#) for the FNMA site to obtain this rate.
- RD does not limit Lenders income from loan except that the Lender's charges and fees must be the same as what is charged to their other customers for FHA/VA or other high LTV loans. The Rural Development guarantee fee should not be included when making the comparison. (See AN List – page 28)

Guarantee Fee

The one-time guarantee fee amount is 3.5 percent of the loan amount, and 1 percent for refinancing an existing GRH or Direct loan. Approved Lenders and RD staff will be notified of any change to the fee.

This fee can be financed into the loan – even exceeding the appraised value (103.5% LTV). The fee is the only amount by which the loan can exceed the appraised value. If it is not being financed, the LTV is 100%.

NOTE: WHEN LOANING THE ENTIRE GUARANTEE FEE, THE MAXIMUM LOAN ON ANY GIVEN PURCHASE PROPERTY IS: APPRAISED VALUE DIVIDED BY .965

Calculation when the Guarantee Fee <u>is</u> Financed into the loan	
Sales Price	\$
Plus	
Financed Closing Cost (including regular closing cost, prepaids and repairs)	
Total (Sales Price & Closing Cost)	\$
Divide by .965	
Total Loan Amount including GRH Fee	\$

Calculation when the Guarantee Fee <u>is not</u> Financed into the loan	
Sales Price	\$
Plus	
Financed Closing Cost (including regular closing cost, prepaid and repairs)	\$
Total (Sales Price & Closing Cost)	\$
Multiply by .035	
GRH Fee	\$

Calculation for when the USDA Refinance Guarantee Fee is financed into the loan (1%)	
Principal Balance	\$
Plus	
Financed Closing Cost (including regular closing cost, prepaids and interest)	\$
Total (Prin. Bal & Closing Cost)	\$
Divide by .99	
Total Loan Amount including GRH Fee	\$

.....
 : If you are not financing
 : the Guarantee fee for a
 : Refinance, you will take
 : your loan amount and
 : multiply by .01. This will
 : give you your fee.
 :

Lenders Best Practices

“How to be Effective”

➤ **“What If” Scenario's**

Discuss “What if’s” with your underwriter.

➤ **Eligible Properties**

Look at the eligibility Map. The lender has the final responsibility to make sure that the property is in an eligible area. The USDA eligibility website is a tool that can be used, but the search results are not fail proof. Lenders may need to utilize Tax Assessors websites for property location. A visit to the property may be required to make certain of the location. Follow additional instructions on pages 16-18. While USDA’s assistance is available we are not liable for any incorrect determination.

➤ **Checklist's are for Your Use**

Use the checklist's on pages 31-33. These are the standard items that are needed in a full doc submission package and a final submission package. Too much information slows down the approval process.

➤ **Correct Loan Amount & Interest Rate**

Make sure the loan amount and interest rate is correct on the first submission to RD. **Do not** close a loan for more than the Conditional Commitment was issued (loan amount or interest rate). The underwriter will need to resubmit a new 1980-21, 1003 and 1008 and receive an updated conditional commitment before the loan can close.

If the loan amount or interest rate is less than amount and/or interest rate on the conditional commitment you can proceed with the closing. RD does not have to review or concur.

➤ **Incomplete Information**

Make sure that your package is complete with the 1980-21, “Request for Loan Note Guarantee” filled out correctly. See pages 26-27.

➤ **Closing Date**

Set your closing date once you receive your Conditional Commitment. Last minute RUSH closings are impossible.

➤ **Use GUS**

Utilize our FREE Guaranteed Underwriting System (GUS). All applications submitted through GUS should be completed in GUS regardless of the result: Accept, Refer or Refer with Caution. GUS is only for USDA-approved lenders. Broker access coming soon.

➤ **Review Regulations**

Read regulations, administrative notices and the lender handbook. All of the above have valuable information in processing your loans. Links are included throughout this handbook.

➤ **Underwriting Submission Packages**

GUS Accept packages may be submitted by electronic submission to ra.gagrh@ga.usda.gov and all other packages (manuals, GUS accept full docs and GUS refers) must be shipped by overnight delivery. If sending by electronic submission, you will need to put the county in which the property is located in the Subject line along with the office that will process the loan and the borrowers name. See pages 34-36. If you overnight, you will need to identify the county in which the property is located. See pages 34-36 on which office you will send your underwriting submission package.

Guaranteed Underwriting System - “GUS” (Automated Underwriting)

- GUS is only a tool to help you with your underwriting. The ultimate decision/responsibility is the lender's. Just because GUS gives an accept doesn't mean that the lender must make the loan. GUS only reads certain items and it is based on a scorecard whether it is an “Accept” or not. For derogatory credit items, you the underwriter must retain in your file that you have determined that the circumstance was beyond their control, temporary in nature and the circumstance has been removed. When a ratio waiver is approved by GUS your file should contain compensating factors for the high ratios. The lender needs to take responsibility for the loan. If you feel that it is not a good loan but GUS accepted, it is our recommendation to turn it down. Lender's have rights to add stricter guidelines for the program.
- GUS is free and available to all USDA approved lenders.
- Import/Export feature is available for Fannie Mae Version 3.2 and MISMO AUS 3.2.1.
- GUS analyzes the data entered and renders a result of:
 - Accept
 - Refer -or-
 - Refer with Caution
- For “Accept” loans, only 3 forms are required to submit to RD unless otherwise noted in the GUS findings:
 - Fully Completed and signed 1980-21 “Request for Guarantee”
 - Appraisal with color photos
 - Flood Certification
- For a “Refer” or “Refer with Caution” a full doc manual package is required and manual underwriting regulations will be followed.
- Documentation required by agency regulations and GUS findings will be retained in the lender's file for compliance review.
- Data Integrity is very important and subject to the Agency's compliance review. Please make sure that you enter all correct data into GUS and use “auto populate” from the credit report for debts. Any debts that are manually entered and not on the credit report in GUS will cause the file to be downgraded to a manual/refer.
- For the “GUS Lender User Guide” and training go to [USDALINC](#)
- For general help or technical questions please call the GUS Helpdesk at 1-800-457-3642 Option 2, Option 2.
- To sign up for GUS please email ashley.carlan@ga.usda.gov
- See current AN and User Guide for further guidance on GUS.

Applicant Eligibility

- **TYPES OF INCOME:** See below for different types of income and pg. 11 for calculation tool.
 - 1) **HOUSEHOLD/ANNUAL INCOME:** All income received by adult household members that will reside in the home in accordance with RD Instruction 1980-D, Section 1980.347. Verifications and lenders documentation of calculation will be retained in the lenders file.
 - 2) **ADJUSTED HOUSEHOLD/ANNUAL INCOME:** Annual income, minus eligible household deductions, determines whether the household is eligible for Guaranteed Loan benefits. Please reference RD Instruction 1980-D, Section 1980.348.
 - 3) **REPAYMENT INCOME:** The stable and dependable income verified by the approved lender that will be utilized to calculate housing and total debt ratios. Only the income of applicants that will be a party to the note will be considered. Typically, income with less than 24 months' history or a 30 day gap is not used. Underwriter documents dependability. Please reference RD Regulation 1980-D, Section 1980.345(b) and 1980.345(c)(2).
- **RATIOS:** 29 / 41 - If exceeded, ratio waiver must be requested by the underwriter with documented compensating factors unless you receive a GUS Accept. (pg. 30).
- **CREDIT HISTORY:** Credit may be acceptable if middle credit score is 640 or higher. If below 640, underwriter must do a full credit assessment per pages 36-37 of [1980-D regulation](#). Waivers may be documented on Credit Waiver (pg. 29) or on 1008 or similar form with proper documentation. **If below 580**, lenders should not approve if applicant(s) exhibit derogatory credit items per pages 36-37 of 1980-D regulations. Extraordinary compensating factors must be present to warrant a credit waiver when credit score is below 580.

If using GUS make sure to use auto populate from the credit report. GUS will determine an Accept or Refer. Underwriters are still responsible for credit worthiness by using GUS or manual underwriting.

 - **To determine creditworthiness, a lender will verify an applicant's past and present employment earnings, credit ratings, and consider assets and payment history for past mortgage payments and/or previous rent. Regardless of whether the mortgage loan application is manually underwritten, or underwritten with the assistance of GUS, documentation supporting the requested loan must be maintained in the lender's permanent loan file.**
- **CITIZENSHIP:** The applicant must be a citizen or a qualified non-US Citizen.
- **LEGAL CAPACITY:** The applicant must possess the legal capacity to incur the loan obligation.
- **OCCUPANCY:** The applicant must have the potential ability to personally occupy the home on a permanent basis.
- **PRESENT HOUSING:** The applicant cannot own an adequate dwelling within the local commuting area after the proposed loan closes. A manufactured home on a rented site or on a non-permanent foundation is considered inadequate.
- **OTHER FEDERAL DEBT:** The applicant cannot be delinquent on a federal debt. The Lender will check HUD's CAIVRS system for this purpose.
- **OTHER CREDIT:** The Lender documents that the loan would not be made without the gov't guarantee (for whatever reason).
- **PREVIOUS LOAN:** The applicant cannot have had a previous RD loan which resulted in a loss to the government unless RD determines the loss was beyond the applicant's control & circumstances have been removed.
- **CO-SIGNERS:** Not Allowed under RD guidelines.

INCOME LIMITS FOR GEORGIA

Effective June 2010



	Household Size	
	1 to 4	5 to 8
Atlanta MSA (24 counties) (Barrow, Bartow, Carroll, Cherokee, Clayton, Cobb, Coweta, Dawson, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Heard, Henry, Jasper, Newton, Paulding, Pickens, Pike, Rockdale, Spalding, Walton)	\$ 82,600	\$ 109,050
Houston County	\$ 75,900	\$ 100,200
All other counties in GA Bibb, Clarke, Muscogee, Richmond	\$ 74,050	\$ 97,750

Above incomes are maximum, adjusted, gross household income limits. Counties lined out are entirely ineligible areas

These limits are adjusted household gross income. One time adjustments to annual income are:

- \$480 per household member who is:
 - Under 18 years old
 - 18 years old or older and disabled
 - 18 years old or older and a full time student
- \$400 for an elderly borrower. Defined as an applicant who is:
 - Age 62 or older or
 - Disabled
- Medical expenses not covered by insurance for an elderly household member that exceed 3% of the gross annual income.
- 100% of child care for minors 12 years old or younger to the extent necessary to enable the borrower's family to be gainfully employed or to further education. Payment cannot be made to persons that can be claimed as a dependent

Non-Taxed Income can be "grossed up" by the amount of federal tax savings attributable [the amount of tax that would normally be paid by a wage earner in a similar tax bracket] to the nontaxable income for repayment purposes only. No other adjustments for tax-exempt income are authorized.

Earned Income Credit may be added to repayment income if they receive it in their paycheck.

Calculation Tool for Household Income								
			Check Calculation Methods Used					
	Yearly Income Total	VOE/Check stub Dated	Year to Date	Hourly rate x 40 x 52	Monthly Rate x 12	Salary	Overtime/Bonuses	Self-Employed
Applicants Income	\$							
Co-Applicants Income	\$							
Other Household Members Income	\$							
Total Household Incomes	\$							
Show calculation Below								

Household Income Calculation

<http://eligibility.sc.egov.usda.gov>

Under “Income Eligibility”, click “Single Family Housing”

1 Property Location
 State : Georgia
 County : Please pick a county below

2 Property Location
 State : Georgia
 County : Banks
 Metropolitan Area : Banks County, GA

3 Property Location
 State : Georgia
 County : Banks
 Metropolitan Area : Banks County, GA

Expenses and Deductions
 Annual Child Care Expenses :

Gross Monthly Income

	Applicant	Other Household Member
Base Employment Income	<input type="text"/>	<input type="text"/>
Overtime Income	<input type="text"/>	<input type="text"/>
Bonus Income	<input type="text"/>	<input type="text"/>
Commission Income	<input type="text"/>	<input type="text"/>
Self-Employment Income	<input type="text"/>	<input type="text"/>
Dividend/Interest Income	<input type="text"/>	<input type="text"/>
Net Rental Income	<input type="text"/>	<input type="text"/>
Other Income	<input type="text"/>	<input type="text"/>

All Other Income Received by Adult Members of the Household :

<< Prev Next >> Reset

After Clicking on Income Eligibility follow the below steps:

1. Choose State and County. Click Next.
2. Enter Household Information. Click Next.
3. Enter Child Care Expenses and Monthly Income for all household members. Click Finish.
4. The Determination Summary will tell if they are eligible based on income only.

4 Single Family Housing Program
Income Eligibility Determination Summary

Applicant is **ELIGIBLE** for the Section 502 Guaranteed Rural Housing Loan Program and **ELIGIBLE** for the Section 502 Direct Rural Housing Loan Program based on income entered and Program Income Guidelines in effect as of 08-25-2010. (Applicant must show repayment ability, have a reasonable credit history for the loan requested, and must meet other program requirements.)
[Contact Us](#) for further details on the Guaranteed Loan Program.
[Contact Us](#) for further details on the Direct Loan Program.

Summary of Adjusted Annual Household Income

Annual Household Income : **\$45,000.00**
 Total Deductions : **\$1,960.00**
 Household Adjusted Annual Income : **\$43,040.00**

Section 502 Guaranteed Rural Housing Loan Program

Maximum Adjusted Household Income for Selected State and **\$74,050.00**
 County :

Section 502 Direct Rural Housing Loan Program

Maximum Adjusted Household Income for Selected State and **\$44,650.00**
 County :

Credit History

(Manual & GUS Refer Underwriting)

[1980-D](#), 1980.345 (d)

Also, see [AN 4543](#)

Credit Scores (Examples)

- Three scores: Select the middle score 750, **721**, 712
 - Two scores: Select the lower score **619**, 633
 - One score: Ineligible score, nontraditional credit must be verified
 - No score: Nontraditional credit must be verified
- (Nontraditional credit cannot be used to offset bad credit on the credit report.)**

Above 640, credit is considered acceptable and documentation is streamlined as follows:

- No credit waiver required if derogatory trade lines appear (except delq Federal debt or items below)
- No rental history required

Unless you have one of the 3 items below no matter the credit score:

- Completed foreclosure or foreclosure activity in the past 36 months
- Bankruptcy Chap. 7 in the last 36 months or a Chap. 13 in the last 12 months.
- Late Mortgage Payments in the last 12 months

(If any of the 3 above items are present, you will follow the guidelines for below a 640 credit score which requires a manual underwrite and full credit assessment)

Below 640, a full credit assessment must be done by the underwriter in accordance with pages 36-37

of the [1980-D regulation](#). Underwriters should be especially cautious of layered risks (in addition to the lower credit score), such as:

- **Questionable repayment income or job stability:**
The lender's underwriter is responsible for calculating income & approving the loan. Applicants with commission only jobs or varying amounts of overtime and bonus income may not exhibit enough stable income to qualify. A 24 month history will be used if included in repayment.
- **Credit waiver:**
If the underwriter deems the adverse credit acceptable, then the underwriter should properly document their decision on the FNMA form 1008 in the "Underwriter Comments" section or Credit Waiver in this package (pg.29). The credit waiver must explain the circumstances surrounding the adverse information were 1) temporary in nature, 2) beyond the applicant's control and 3) have been removed so their reoccurrence is unlikely. The credit waiver must also address the circumstances surrounding each collection account, document the compensating factors considered in support of the underwriting decision and submit the supporting documentation to Rural Development.
- **Ratio waivers:**
Should be avoided if a credit waiver is issued unless strong compensating factors are present and supporting documentation is in the file

Below 580, lenders should not approve loans in this category if they exhibit any derogatory credit per pages 36-37 of [1980-D regulation](#).

Risk Layering - Is not recommended in addition to the lower score (under 640).

Acceptable credit reports: RMCRs, dual-merged or tri-merged, and Non-traditional credit reports. Credit reports must be re-verified if the loan is not closed within 120 days from original verification.

Non-traditional Credit: 3 references required with current rental history otherwise 4 references are required.

Collection accounts: The Lender must determine if open collections must be paid prior to or at loan closing or remain open. Mitigating circumstances must be documented in the Lender's file and on the underwriting transmittal (1008 or its equivalent).

Ratios

[1980-D](#), 1980.345 (b) & (c)

Also, see [AN 4543](#)

Ratio Limits - 29 / 41 for Manuals and GUS Refers

Total Debt ratio must include debts with 6+ months remaining, alimony/child support paid & other short-term debt of significant impact. All debts on the credit report must be included unless you have evidence of 12 months payment from the other party (usually cancelled checks). Debts that can be excluded when paid by another party are only co-signed obligations and/or previous mortgages.

Waivers

- If either ratio exceeds 29/41, then the Underwriter should clearly document their reason for allowing higher ratios by documenting compensating factors on the signed 1008 or the Ratio Waiver in this package.
- The RD Official must concur in writing with the waiver – can approve waiver by indicating their concurrence anywhere on form 1008 or by signing the Ratio Waiver (pg. 30 if used).
- Compensating factors include: 680+ credit score, accumulated savings, substantial cash reserves after closing, conservative use of credit, PITI < rent, potential for increased earnings due to job training or higher education in their profession. See current AN on ratio waivers.
- A low TD ratio can be coupled with other factors to help support a waiver, but it does not compensate by itself.

- **Energy Advantage Program**
 - Currently, an applicant may have ratios of 31/43 if the lender documents that the house being purchased was built or upgraded in accordance with the 2000 International Energy Conservation Code (EICC). These houses would be built after January 1, 2003. Please indicate on the 1008 if the EICC is being used for ratios. No waiver is needed.
- **Reducing ratios**
 - Discount points - One underused provision is allowing only [low income](#) applicants to finance loan discount points to reduce the interest rate from the authorized maximum rate.
 - Buydowns must qualify at note rate. The initial interest rate considered is temporarily reduced no more than two percent below the note rate and increased by no more than one percent annually. The underwriter must document the compensating factors which indicate the applicant's ability to meet the expected increases in loan repayment on the underwriting analysis. Buydown funds may come from the seller, lender or other third party, but cannot come from the applicant. A written copy of the escrow agreement signed by both the applicant and the provider of funds is required. See page 79 of the [1980-D regulation](#).
 - Section 8 Vouchers – See [AN 4543](#)
- **Payment Shock**

Payment shock is when PITI is more than *twice* their existing rent. Measured as a percentage by dividing the new PITI by previous housing expense minus 1. In cases where payment shock is 100% or higher and PITI exceeds 29%, no additional risk layering should be allowed unless strong compensating factors are present.
- **Previous Mortgage**

All previous mortgage liabilities disposed of through a sale, trade, or transfer without a release of liability, is to be included in the debt ratio calculation unless evidence (cancelled checks) can be obtained to confirm the remaining party has made payments over the last 12 months.
- **401 (K) Loans**

Loans against personal assets such as 401(k) accounts, retirement funds, or other liquid assets are not considered in the debt ratio.
- **Deferred Student Loans**

Payments on deferred loans must be included in total debt ratios, no matter the length of deferment. When the actual payment amount can not be obtained you can use 1% of the balance for the monthly payment.
- **Risk Layering**

Risk layering is the existence of multiple levels of risk in an application such as payment shock, credit waiver, ratio waiver, buydown, recent self-employment, etc. Generally, RD will allow only 1 layer of risk without additional documented strong compensating factors. Lenders should be very cautious when evaluating applications with multiple layers of risk.

Sites

1980-D, 1980.313

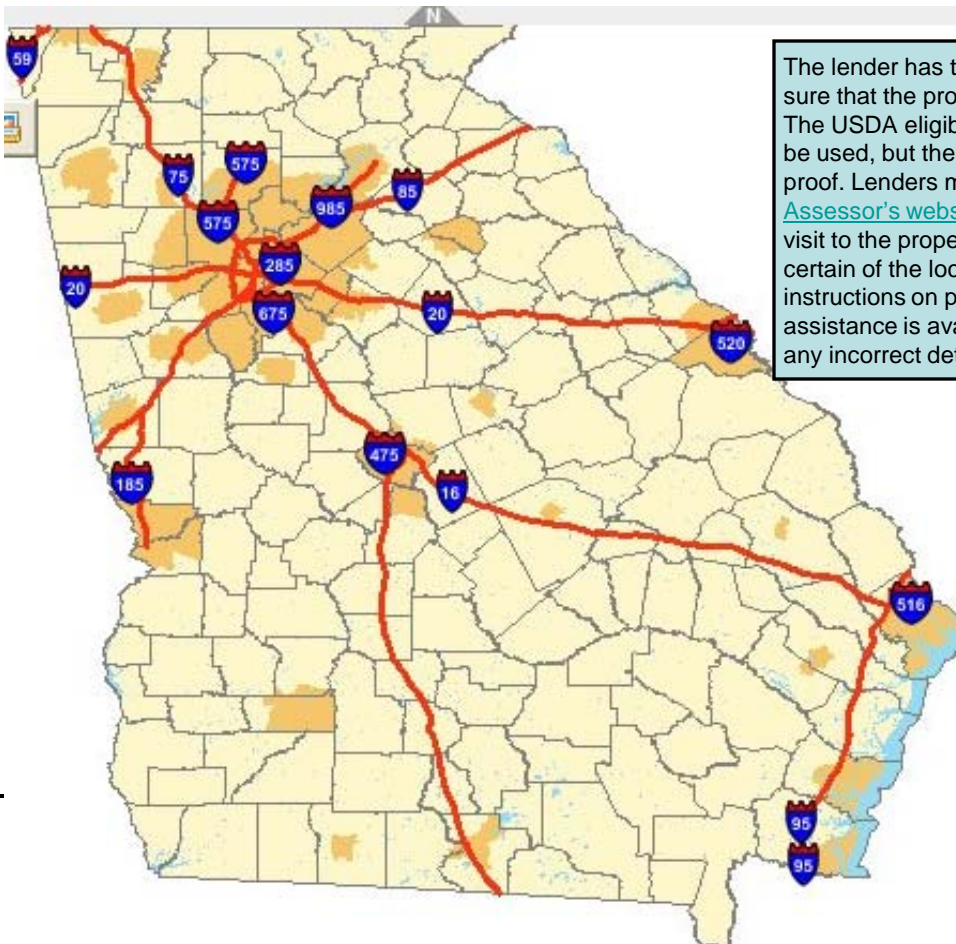
- The property must be contiguous to and have direct access from a street, road, or driveway. Streets and roads must be hard surfaced or all-weather surface.
- Shared and/or Easement Driveway:
 - Lender should retain copy of a recorded, perpetual, non-exclusive easement for ingress and egress.
- Site Value:
 - Must not exceed 30% of the total property value. Can be documented in the cost approach section of the appraisal. (exceptions can be made if the value is typical for the area and cannot be subdivided into 2 or more lots).
- Subdivisions:
 - Must be approved by local, regional, state, or federal agencies. Dwellings in a Planned Unit Development (PUD) are acceptable.
- Individual Septic Systems:
 - If using an FHA approved appraiser they can certify if the septic system is working properly for existing houses. If new construction a septic permit will be retained in the lender's file.
- Private Wells:
 - Site and design meets the state or local government, Safe Drinking Water Act and Clean Water Act.
- Community Wells or Sewage Systems:
 - Requires a state operating permit, evidence of compliance with the Safe Drinking Water Act and the Clean Water Act, and a legally binding agreement which allows the Lender to enforce the obligation of the operator to provide satisfactory service at reasonable rates. Lenders retain in their file.
- Shared Wells: refer to the [HUD reference guide](#)
 - Shared wells may serve existing properties that cannot feasibly be connected to an acceptable public or community water supply system. A shared well shall have a valve on each dwelling service line as it leaves the well. Service no more than four living units or properties. Must have a shared well agreement and shall be binding upon signatory parties and their successors in title. Evidence of compliance with the Safe Drinking Water Act and the Clean Water Act.
- Flood Zones
 - Elevation Certificate must be provided to RD to determine if the 1st floor of habitable space is above the 100 year flood plain.
 - Class I or II Environmental Reviews will delay processing (ex: floodplains).
 - For houses located in a flood zone, adequate flood insurance must be obtained and included in qualifying ratios.
- RD reserves the right to inspect the property prior to issuing the Conditional Commitment if concerns exist.

Property Eligibility

1980-D, 1980.313

Shaded areas below are in-eligible

- Since the Agency is the USDA, it can only finance properties located in a designated [rural areas](#).
- **ENTIRELY INELIGIBLE COUNTIES (10)**
Bibb, Clarke, Clayton, Cobb, DeKalb, Fayette, Gwinnett, Muscogee, Richmond and Rockdale
- **COUNTIES WITH SOME INELIGIBLE AREAS**
Baldwin, Bartow, Barrow, Bulloch, Camden, Carroll, Catoosa, Chatham, Chattahoochee, Cherokee, Columbia, Coweta, Dade, Dougherty, Douglas, Floyd, Forsyth, Fulton, Glynn, Hall, Henry, Houston, Jones, Laurens, Lee, Liberty, Long, Lowndes, Madison, Newton, Oconee, Paulding, Spalding, Thomas, Troup, Walker, Walton and Whitfield
- **ENTIRELY ELIGIBLE COUNTIES** - All other counties in Georgia.



The lender has the final responsibility to make sure that the property is in an eligible area. The USDA eligibility website is a tool that can be used, but the search results are not fail proof. Lenders may need to utilize [Tax Assessor's websites](#) for property location. A visit to the property may be required to make certain of the location. Follow additional instructions on pages 17-18. While USDA's assistance is available we are not liable for any incorrect determinations.

Property Eligibility

<http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>

Follow the steps and directions in the box below

1



2 **Property Eligibility Disclaimer**

Every effort is made to provide accurate and complete property eligibility determinations based on Rural Development rural area requirements. USDA, however, does not guarantee the accuracy, or completeness of any information, product, process, or determination provided by this system. Final determination of property eligibility must be made by Rural Development. To proceed with your property eligibility determination, you must accept this disclaimer.

Please read this [license agreement](#) from Tele Atlas of North America.

Accept Decline

3

Pin Point Address on U.S. Map

Please enter an Address:
(State and Zip Code must be entered)

Address

City

State*

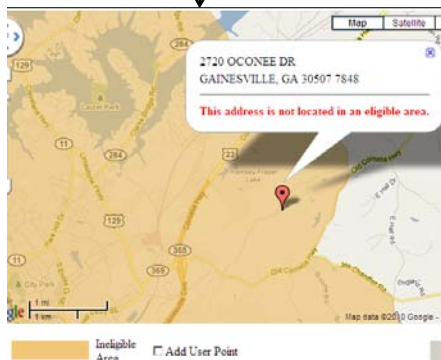
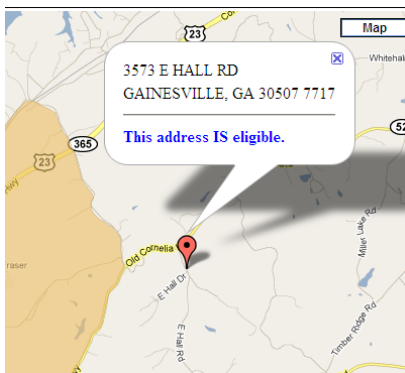
Zip-Code* -

Get Map

[Click here to find out about additional areas that are also considered eligible, including disaster areas](#)

1. Click on Property Eligibility and Single Family Housing.
2. Accept the Disclaimer.
3. Type in your street address, state and zip code.
4. You will get one of 3 results. Eligible, Not Eligible or Could not be found.
5. If you receive "Address could not be found" proceed to next page.

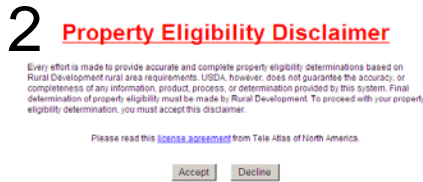
4



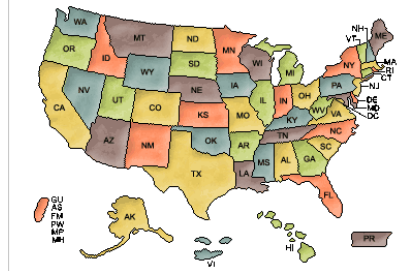
Property Eligibility – Comparing 2 maps

<http://eligibility.sc.gov.usda.gov/eligibility/welcomeAction.do>

Follow the steps and directions in the box below if you receive an “Address Could Not be Found”.



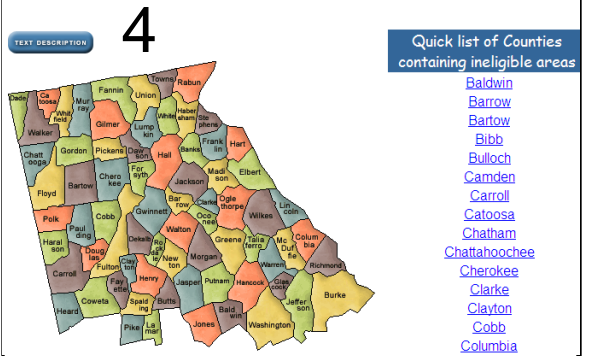
3 Please select a state to view eligibility area by cursor over desired state and clicking.



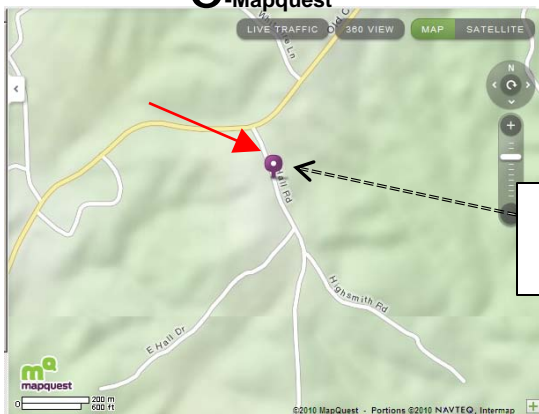
USDA Property Eligibility County Map for Northern Georgia

Only those counties with ineligible areas are listed below. All other counties are completely eligible. Please select a county from the map or from the Quick list to view ineligible area.

1. Click on Single Family Housing under Property Eligibility.
2. Accept the Disclaimer.
3. Click on GA in the map of the US (GA is divided into north and south)
4. Click on the county you want to view. If the county has no orange areas then the whole county is eligible
5. Open internet explorer again. Go to MapQuest or Google. Map your address. Zoom in or out to see the roads around your property. Minimize your screen size.
6. Open internet explorer with the USDA map and minimize your screen to where the 2 maps are side by side.
7. You can zoom in or out on the USDA map to see if your property is eligible by comparing where the property is located in MapQuest or Google. If the property is not located in the orange area on the USDA map, it should be eligible.
8. If the property is close to the ineligible line, the property location may need to be confirmed by a visit to the property by the lender's representative. (Appraiser, Realtor, Etc.)



5-Mapquest



6- USDA Map



7

Compare the 2 maps for eligibility. Arrows point to property location

Dwelling Types

[1980-D](#) ,1980.310,1980.313 & [AN 4543](#)

➤ Dwellings eligible under this program include:

- New and existing site-built homes.
- New and existing modular homes (built by same codes as site-built homes, but are built in a plant, transported to the site, and lifted by crane onto the site-built foundation). These will have a Department of Community Affairs (DCA) label in the unit to designate it as “modular”.
- Condominium units that meet the current RD requirements
- Homes within a PUD (Planned Unit Development)
- Only new “manufactured” homes that are set up by an approved dealer/contractor. The Local Office of RD has a list of approved dealer/contractors. These units will have a HUD label on the exterior of each section to designate it as a “manufactured” home. Specific guidelines for GA apply.
- The term “townhouse” refers to the physical layout of a dwelling unit. See the above references to determine if the unit is a condo or PUD.

New Construction

Less than 1 year old

(See [1980-D](#) & [AN 4543](#))

➤ [Click Here](#) to determine if your property is in a “Code” or “Non-Code” county/city (Acronyms for the 8 required codes are: B, M, G, P, E, F, EG & R)

➤ PERMITS/CERTIFICATIONS

Items needed (kept in Lender’s file) when new house is in a “Code County/City” (has adopted the [GA Building Codes](#)):

- Certificate of Occupancy
- Well/septic certification (if applicable)
- Termite certification
- Minimum 1-year Builder’s Warranty

Items needed (kept in Lender’s file) when new house is in a “Non-Code County/City” (has not adopted the [GA Building Codes](#)):

- Plan certification (see next page)
- Inspection reports (see next page)
- Well/septic certification (if applicable)
- Termite certification
- Minimum 1-year Builder’s Warranty (If an acceptable 10-year Warranty used, only final inspection is required) otherwise, we can guarantee 90% of appraised value

➤ ENERGY CODE - NEW CONSTRUCTION

Homes must be built in accordance with the current [GA Energy Code](#) which is the 2009 International Energy Conservation Code with GA amendments). Evidence in Lender’s file may include a plan certification that references the GA Energy Code or a C.O. if the county/city has adopted the GA Energy Code.

New Construction (con't)

Less than 1 year old

(See [1980-D](#) & [AN 4543](#))

➤ **Plan certifications** (evidence is retained in Lender's file):

- A copy of the Building Permit or Certificate of Occupancy (CO) if the county/city has adopted the mandatory building codes ([click here](#) for list of counties/cities & what codes they have adopted – Acronyms for the 8 required codes are: B, M, G, P, E, F, EG & R) or
- A Form RD 1924-25 or similar document executed by:
 - A builder who is enrolled in a Ten Year Warranty plan approved by RD – they must list his/her warranty company name and builder's number
 - A County Plan reviewer who has had Code training and is certified as a Plan Reviewer
 - A licensed Architect or a licensed Engineer or
 - A Plan Service (such as Standard Home Plans, W.D. Farmer)

➤ **Inspections** (retained in Lender's file):

When a 1-year builder warranty is obtained, lender retains warranty plus:

- The Certificate of Occupancy issued by a local jurisdiction that performs at least 3 construction phase inspections, including those prescribed in RD Instruction 1980-D §1980.341(b)(2), or
- Evidence of three construction inspections performed (footing, dry-in, final), or
- Rural Development can only guarantee 90% of appraised value.

When a ten-year warranty (approved by RD) is obtained, lender retains warranty plus the final inspection.

If the house was appraised subject to completion per plans/specs, the appraiser must do a follow-up inspection to determine that the completed house represents the appraised property.

➤ **Warranties** (retained in Lender's file)

- A minimum of a 1-year builder's warranty is required
- A 10-year warranty is preferred . It is required if only final inspection has been done on properties in "non-code" cities/counties – otherwise, we can only guarantee 90% of appraised value

Existing Dwellings

Built for more than 1 year

(See [1980-D](#) & [AN 4543](#))

➤ **INSPECTIONS** (FHA Roster Appraiser, Licensed Appraiser or Home Inspector)

The dwelling must meet the current requirements of:

- HUD Handbook [4150.2](#) (appraisal handbook) and
- HUD Handbook [4905.1](#) (*Requirements for Existing Housing-One to Four Family Living Units*).
- Handbook compliance must be documented in the appraisal or home inspection report. (see below)

➤ **FHA Roster Appraiser**

FHA roster appraisers can certify HUD Handbook compliance on all existing dwellings. FHA-roster appraiser completes the appraisal stating the property meets HUD Handbooks 4150.2 & 4905.1. They do not issue a "HUD number" for their appraisal, but they would follow all other FHA requirements.

➤ **Licensed Appraiser-Non FHA Roster**

A licensed or certified appraiser who is not on the FHA roster can certify HUD Handbook compliance when the approved lender deems the appraiser as qualified. The lender's case file must contain documentation, determined by the lender, that the appraiser has received adequate training in HUD Handbooks 4150.2 and 4905.1.

➤ **Home inspector**

A home inspector deemed qualified by the lender other than an appraiser may certify the dwelling meets HUD Handbooks 4150.2 and 4905.1. The lender's case file must contain documentation, determined by the lender, that the inspector has received adequate training in HUD Handbooks 4150.2 and 4905.1

When used, lenders are expected to obtain the home inspection report prior to an appraisal being completed. Lender will determine the suitability of the dwelling based on the report and determine what repairs will be required. A copy of the inspection will be given to the appraiser to be used in completing the appraisal.

➤ **Actual Age Vs. Effective Age**

When there is a substantial difference between actual age and effective age of a dwelling, the lender must ensure the appraisal contains supporting documentation as below:

- Recent repairs/renovations must have been completed. Documentation supporting the recent renovations and/or repairs with the dates of completion to major components and cosmetic items may be requested if not addressed in the appraisal.
 - **Major Components consist of:** Roof, wiring, plumbing, HVAC, windows, siding, etc.
 - **Cosmetic Items consist of:** painting, flooring, plumbing and light fixtures, interior walls and doors, cabinets, appliances, etc.

- **Repairs** - The Agency requires only those repairs necessary to ensure that the dwelling is structurally sound, functionally adequate, and in good repair under 1980.313. Repair of items can be negotiated between the buyer and seller. Repairs may be included in the loan assuming "As Improved" appraised value supports the loan amount. Loan funds for repairs may be held in escrow. Repairs may be completed within a reasonable timeframe (usually 30 days after closing), inspected for completion and paid out of escrow. RD does not set a limit on the amount of repairs but you will need to check with your underwriter. Only exterior repairs require 150% holdback of the cost of repairs. Lender certifies all development work has been completed prior to issuance of the Loan Note Guarantee.

- **Termite Letters** – Existing house: only required if inspector recommends additional inspection, however it is suggested that lenders obtain a "Hold Harmless" statement signed by the applicant; If an agreement has been made between the buyer and seller, it is recommended that the lender retain the termite documentation in their file.

Appraisals

All types of dwellings

(See [1980-D](#) & [AN 4543](#))

- The Lender will use an [appraiser](#) who is Certified Residential or Certified General by the Georgia Real Estate Appraisers Board to appraise real estate in Georgia involving federally related transactions.
- Appraisal should be less than 6 months old.
- Lenders will instruct their appraisers to use the following appraisal forms in relation to GRH loans as appropriate:
 - Uniform Residential Appraisal Report (FNMA Form 1004/FHLMC Form 70) for one unit single family dwellings, or
 - Manufactured Home Appraisal Report and addendum (FNMA Form 1004C/FHLMC Form 70B) or
 - Individual Condominium Unit Appraisal Report (FNMA Form 1073/FHLMC Form 465) for all individual condominium units
 - 1004 MC Form is required
- Value of the lot should always be stated in the cost approach section of the appraisal for all properties. Supporting documentation may be required.
 - Under RD Instruction 1980-D, section 1980.334, the cost approach section of the appraisal must be completed in its entirety when the dwelling is less than one year old. For dwellings more than one year old, the cost approach section of the appraisal needs be completed only to the extent necessary to comply with the site value analysis (the 30% rule). A Marshall and Swift cost approach analysis is not required.
- RD Review: An administrative review of the appraisal will be done by RD prior to issuance of a Conditional Commitment. Make sure comps are the best available & value is defensible/reasonable.

Underwriter Checklist to Review Appraisals

“To be used as tool before submission to RD reviewing office to eliminate appraisal problems which will speed up the RD review. This is not an all inclusive list. It is strongly suggested that a thorough review of the appraisal be completed by the lender.”

(See [1980-D](#) & [AN 4543](#))

1. ___ Is the appraisal report signed and dated? (No supervisory signatures allowed per HUD 4150.2)
2. ___ If the actual age is substantially different from the effective age, has the appraiser supported the effective age with supporting documentation of all recent renovations?
3. ___ Are comparables similar to the subject in size, age, design, quality, and amenities? Are all comparables sold within last 12 months and from similar neighborhoods?
4. ___ Are all the adjustments on the URAR grid considered reasonable and consistent? (Lenders may be asked to provide supporting documentation on large line item adjustments)
5. ___ Are net adjustments exceeding 15%, gross adjustments exceeding 25%, and individual line adjustments exceeding 10% adequately documented in the report?
6. ___ If the subject is new construction; did the appraiser use new construction comparables? (If not, a thorough explanation is needed why new comparables were not used)
7. ___ Did the appraiser place an emphasis on “listings” or “a dwelling under contract” to help support the Market Value? (Note: RD does not allow use of unclosed comparables)
8. ___ Does the land and/or lot value exceed 30% of the appraised value? Is so, additional supporting documentation may be required
9. ___ Is the appraiser’s opinion of the land and/or lot value appropriate and supported?
10. ___ Has the Cost Approach on Page 3 of the URAR been completed as required for new or existing dwellings less than 1 year old?
11. ___ Does the appraisal report contain the statement that the dwelling meets the HUD Handbooks 4150.2 and 4905.1? (Note: All utilities must be on at the time of inspection)
12. ___ Does the Market Value appear reasonable and supportable given the current market trends and conditions? Has the appraiser avoided the appearance of backing into the estimate of Market Value?
13. ___ If the dwelling needs repairs and/or modernization, has the appraiser noted the items in the report and made the report “subject to” repairs being completed?

NOTE: RURAL DEVELOPMENT PERSONNEL COMPLETING ADMINISTRATIVE REVIEWS FOR GUARANTEED RURAL HOUSING LOANS MAY REQUEST ADDITIONAL INFORMATION THAT IS NEEDED TO SUPPORT THE MARKET VALUE. RURAL DEVELOPMENT RESERVES THE RIGHT TO DETERMINE APPRAISAL REPORTS UNACCEPTABLE IF THEY DO NOT MEET RURAL DEVELOPMENT AND USPAP REQUIREMENTS.

RD Forms & Websites

➤ Origination

- [Form 1980-21](#) (*Request for Single Family Housing Loan Guarantee*) – See pages 26-27 for a completed example

➤ Closing

- [Form 1980-19](#) (*Loan Closing Report*)
- [Form 1980-18](#) (Lender Certifications - reverse of “*Conditional Commitment*” and its Attachment)
- [Form 1980-11](#) (*Lender Record Change* - if applicable)

- RD Homepage for: [GA](#) ; [Nation-wide](#)
- Governed by [1980-D regulation](#)
- [Income / Property Eligibility](#)
- Updates are issued by [Administrative Notices](#) (“ANs”).
Look for ones pertaining to “1980-D”
- [Sign up](#) for “ListServ” to receive automated updates directly from Washington D.C. to your email inbox

1980-21 – Follow below guide to complete



Committed to the future of rural communities.

USDA Single Family Housing Guaranteed Loan Program

Form RD 1980-21 "Request for Single Family Housing Loan Guarantee" Revised October 2010

Form RD 1980-21 must be complete with accurate loan information and the signatures of **both** the approved lender and the applicant(s) before submission to Rural Development (RD) to request a Conditional Commitment for Loan Note Guarantee.

Enter the "Approved Lender" that has an approved Form RD 1980-16 (Lender Agreement) on file with the Agency.

Identify "Third Party Originator" if applicable. TPO's are not required to be approved lenders.

Ethnicity and Race must be selected by the lender if not provided by the applicant(s).

Enter the representative FICO score.

Utilize an additional Form RD 1980-21 when more than 2 applicants apply.

List each eligible cost that will be financed into the loan.

The online Form RD 1980-21 calculates the total request via auto-sum.

Form RD 1980-21 (Rev. 10-10)		UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT RURAL HOUSING SERVICE		Form Approved OMB No. 0575-0078	
REQUEST FOR SINGLE FAMILY HOUSING LOAN GUARANTEE					
Approved Lender:		Approved Lender Tax ID No.:			
Contact:		Approved Lender E-Mail:			
Phone Number:		Fax Number:			
Third Party Originator (TPO):		TPO Tax ID No.:			
USDA Application Number:		Lender Loan Reference Number:			
<i>Please issue a Conditional Commitment for Single Family Housing Loan Guarantee in the following case:</i>					
Applicant Information (Please complete, circle, or mark as appropriate)			Co-Applicant Information (Please complete, circle, or mark as appropriate)		
Name: _____			Name: _____		
SSN: _____ Date of Birth: _____			SSN: _____ Date of Birth: _____		
U.S. Citizen: <input type="checkbox"/> Yes <input type="checkbox"/> No			U.S. Citizen: <input type="checkbox"/> Yes <input type="checkbox"/> No		
Permanent Resident/Qualified Alien: <input type="checkbox"/> Yes <input type="checkbox"/> No			Permanent Resident/Qualified Alien: <input type="checkbox"/> Yes <input type="checkbox"/> No		
Veteran: <input type="checkbox"/> Yes <input type="checkbox"/> No Disabled: <input type="checkbox"/> Yes <input type="checkbox"/> No			Veteran: <input type="checkbox"/> Yes <input type="checkbox"/> No Disabled: <input type="checkbox"/> Yes <input type="checkbox"/> No		
Gender: <input type="checkbox"/> M <input type="checkbox"/> F First Time Homebuyer <input type="checkbox"/> Yes <input type="checkbox"/> No			Gender: <input type="checkbox"/> M <input type="checkbox"/> F First Time Homebuyer <input type="checkbox"/> Yes <input type="checkbox"/> No		
Ethnicity: (Check only One Box) <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino			Ethnicity: (Check only One Box) <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino		
(Check as many boxes as applicable) Race <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White			(Check as many boxes as applicable) Race <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White		
Marital Status: <input type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Unmarried			Marital Status: <input type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Unmarried		
The applicant <input type="checkbox"/> has <input type="checkbox"/> does not have a relationship with any current Rural Development employee.			The co-applicant <input type="checkbox"/> has <input type="checkbox"/> does not have a relationship with any current Rural Development employee.		
Applicant's Credit Score: _____ <input type="checkbox"/> No Score			Co-Applicant's Credit Score: _____ <input type="checkbox"/> No Score		
ANY ADDITIONAL APPLICANTS MUST BE FULLY DOCUMENTED ON A SEPARATE FORM.					
Property Address: _____					
City, State, Zip Code: _____ County: _____					
Is this a Refinance Loan? <input type="checkbox"/> No <input type="checkbox"/> Yes If Yes, refinance loan is an RD Single Family Housing <input type="checkbox"/> Guaranteed Loan <input type="checkbox"/> Direct Loan					
1. Number of persons in the household: _____ Number of dependents under Age 18 or Full-time Students: _____					
2a. The current annual income for the household is: \$ _____ 2b. The current adjusted income for the household is: \$ _____					
3. PITI ratio: _____ TOTAL DEBT ratio: _____					
4. We propose to loan \$ _____ for 30 years at _____ % per annum with payments (P&I) of \$ _____ per month					
5. The interest rate is based on the <input type="checkbox"/> Fannie Mae on _____/_____/_____, (required)					
<input type="checkbox"/> The interest rate is locked in until _____/_____/_____					
<input type="checkbox"/> The interest rate will float until loan closing (documentation of lock date will be required w/ loan closing report)					
NOTE: If the interest rate increases at loan closing, the loan must be re-underwritten and this document must be re-certified.					
6. The applicant understands that Rural Development approval of guarantee is required and is subject to the availability of funds.					
7. The applicant is unable to secure the necessary conventional credit without a Rural Development guarantee upon reasonable rates, terms, and conditions in which the applicant could reasonably be expected to fulfill.					
8. Loan funds will be used for the following purpose(s):					
Purchase / Refinance Amt:		\$ _____			
Financed Loan Closing Costs:		\$ _____			
Repairs/Other:		\$ _____			
Guarantee Fee:		\$ _____			
Total Request:		\$ _____			
<small>According to the Paperwork Reduction Act of 1995 an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The time cost control number for this information collection is 0575-0078. The time required to complete this information collection is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.</small>					

Enter the 9 digit Federal Tax Identification Number (TIN) of the approved lender. This # is also on the Lender Agreement.

Enter the loan reference number assigned by the lender.

Indicate the method and date utilized for calculating the interest rate.

Confirm if the interest rate is locked or floating.

Administrative Notices

"ANs" - as of 2/2011
Sign up to receive updates by email

<u>AN #</u>	<u>Date</u>	<u>Subject</u>
4510	4-29-10	Lender Charges and Fees
4511	4-30-10	Refinancing Single Family Housing Loans Section 502 Direct and Guaranteed
4520	7-9-10	In-Ground Swimming Pools Single Family Housing Guaranteed Loan Program
4543	10-14-10	Single Family Housing Guaranteed Loan Program Underwriting and Loan Closing Documentation Matrix

Please visit the [AN website](#) often to check for updated/new guidance



CREDIT WAIVER

(This form is optional – waiver may be documented on form 1008 or similar form signed by underwriter)

BORROWER(S): _____

LENDER: _____

The Credit Report obtained in connection with the subject borrower’s application for a RURAL DEVELOPMENT Guaranteed Housing loan contains adverse credit history. I have reviewed this credit report and the documentation provided by the applicant to explain the cause of the adverse ratings. The explanation of the circumstance is below:

The above explanation meets ALL of the following conditions and the evidence/ documentation has been retained in the underwriting file. The underwriter has determined that:

- 1) The circumstances were of a temporary nature,
- 2) Were beyond the applicant’s control,
- 3) And they (circumstances) have been removed.

The compensating factors listed below were considered in support of my underwriting decision: _____

Therefore, in accordance with RD Instruction 1980-D, paragraph 1980.345(d)(3), I hereby waive the adverse credit history and have determined that this borrower is creditworthy. I am not waiving an outstanding judgement.

Printed Name of Underwriter

Signature of Underwriter

Date



RATIO WAIVER

(This form is optional – waiver may be documented on form 1008 or similar form signed by underwriter)

Date: _____

Applicant's Name: _____

Underwriting Lender's Name: _____

Underwriter's Name: _____

Underwriter's Phone # _____

Proposed Ratios: **Front** _____ **Back** _____

Compensating Factors:

Attach any additional comments, documentation or recommendations.

I, the Underwriter, hereby approve the proposed ratios based on the compensating factors listed above. As the primary decision-maker, I am responsible for ensuring that the ratios are reasonable and in compliance with the current USDA RD Administrative Notice (AN) concerning debt ratio waivers.

Signature of Underwriter

Date

RD concurrence:

Signature of Approval Official

Date



GUARANTEED RURAL HOUSING

GUS “ACCEPT” PACKAGE CHECKLIST

Date: _____

Applicant Name(s): _____

Approved Lender: _____

Please ensure that all documents have consistent names & loan amounts.

- Form RD 1980-21, “Request for Single Family Housing Loan Guarantee”
Revision date 10/10 or later. Complete and signed by lender representative and applicant/applicants
- Appraisal with color photos (less than 6 months old)
- FEMA Form 81-93, “Standard Flood Hazard Determination”
If the property is located in a Flood Zone please provide the elevation certificate.
- Any other documentation required to support GUS findings.

Only GUS Accepts can be emailed to our common email box at ra.gagrh@ga.usda.gov. Please include in the subject line of the email the office who will be reviewing the file, applicants name and the county in which the property is located. See pg. 34-36 for office locations. Example: Clarkesville, John Doe, Barrow Co.

****If “Full Doc” is required by GUS Findings, please follow the Manual Checklist and submit the file by overnight mail.**

THE LENDER IS RESPONSIBLE FOR MAINTAINING ALL REQUIRED DOCUMENTS IN LENDER’S FILE SUBJECT TO BEING REVIEWED BY RURAL DEVELOPMENT.

HIGH QUALITY COPIES are acceptable

*** Rural Development, Fannie Mae, Freddie Mac, VA and FHA-HUD forms are acceptable.**



GUARANTEED RURAL HOUSING

ORIGINATION PACKAGE CHECKLIST FOR MANUALS, GUS ACCEPT FULL DOC, GUS REFERS or REFER WITH CAUTION

(If forms are in the following order, it will help speed the RD review)

Date: _____

Applicant name(s): _____

Approved Lender: _____

Please ensure that all documents have consistent names & loan amounts.

- Form RD 1980-21, "Request for Single Family Housing Loan Guarantee"
Revision date 10/10 or later. Complete and signed by the lender representative and applicant/applicants
- Lender's Loan Underwriting Analysis*
Uniform Underwriting Analysis and Transmittal Summary (1008) or similar form signed by the underwriter.
 Compensating factors and/or extenuating circumstances are documented for ratio waiver and/or credit waiver on 1008 or waiver form, if required by Rural Development regulations or Administrative Notices.
- Uniform Residential Loan Applications (initial & final)*
Must be fully completed and signed by the applicant(s) and originating lender.
- Income verification and calculation of repayment income/annual income – use Form 1008 or pg. 11 (<120 days old; <180 days old for new construction)
- Credit history verification*
- Rental Verification*(if applicable)
- Purchase agreement*
- Appraisal with color photos (less than 6 months old)
- FEMA Form 81-93, "Standard Flood Hazard Determination"
(N/A if refinancing a RD direct or guaranteed debt)
- For Non-U.S. Citizens, evidence of legal admittance for permanent residence or indefinite parole.
- Any other documents required to support underwriting decision and loan request
(divorce decree, child support, childcare, paid receipts, etc)

***File must be sent by overnight mail to the office that will process the loan according to which county the property is located. See pages 34-36.**

HIGH QUALITY COPIES are acceptable



FINAL SUBMISSION CHECKLIST

BORROWERS: _____

LENDER: _____

- FORM RD 1980-19, LOAN CLOSING REPORT**
- GUARANTEE FEE PAYABLE TO RD - .035 x LOAN AMOUNT = FEE
(.01 x LOAN AMOUNT FOR REFINANCE OF RD LOANS)**
- COPY OF PROMISSORY NOTE**
- COPY OF THE HUD-1 SETTLEMENT STATEMENT**
- INTEREST RATE LOCK SHEET IF RATE WAS FLOATING (If applicable)**
- ANY ADDITIONAL DOCUMENTATION REQUIRED AND/OR CONDITIONED BY
THE 1980-18, CONDITIONAL COMMITMENT**

LENDER CERTIFICATIONS:

- REVERSE OF FORM RD 1980-18, CONDITIONAL COMMITMENT and**
- ATTACHMENT TO FORM 1980-18, CONDITIONAL COMMITMENT**

**THE LENDER IS RESPONSIBLE FOR MAINTAINING ALL REQUIRED DOCUMENTS
IN LENDER'S FILE SUBJECT TO BEING REVIEWED BY RURAL DEVELOPMENT.**

**AREA OFFICES & STATE
OFFICE INFO FOR
GEORGIA**



Submit **GUS ACCEPT'S ONLY** packages to our
Common Email box at ra.gagrh@ga.usda.gov

In the subject line please include the office that will process
the request, the county in which the property is located and
the borrowers name(Ex: Barnesville / Henry Co/Smith, John)
See the next 2 pages for the list of counties.

****Each email must not exceed 5 MB in size. Manual
Packages, GUS Accept full docs or GUS Refer packages
must be shipped by overnight mail.**

Barnesville Area Office

231 Hwy 41 North, Suite D
Barnesville, GA 30204
770-358-0787 / fax 770-358-6788

Primary Contact: Charles Adkins charles.adkins@ga.usda.gov
Tizra Dozier tizra.dozier@ga.usda.gov
Holly Selph holly.selph@ga.usda.gov

Cartersville Area Office

12 Felton Place, Suite A
Cartersville North Business Center
Cartersville, GA 30120
770-386-3393/ fax 770-387-0429

Primary Contact: Mark Rice mark.rice@ga.usda.gov
Ben Davis benjamin.davis@ga.usda.gov
Nancy Rowell nancy.rowell@ga.usda.gov

Clarkesville Area Office

555 Monroe Street – Unit 83
Clarkesville, GA. 30523
706-754-6239 / fax 706-754-9821
770-267-1413 (Monroe Office)

Primary Contact: Samuel Kirkland Samuel.kirkland@ga.usda.gov
Melodie Brooks melodie.brooks@ga.usda.gov (Monroe)

Statesboro Area Office

151 Langston Chapel Rd. Suite 500
Statesboro, GA 30458
912-871-2620 / fax 912-871-6547
912-384-4811 (Douglas)

Primary Contact: Jeanmarie DeLoach jeanmarie.deloach@ga.usda.gov
Amy Caldwell amy.caldwell@ga.usda.gov
Sylvia Lee sylvia.lee@ga.usda.gov (Douglas)

Thomson Area Office

226 Bob Kirk Road, NW
Thomson, GA 30824
706-595-1339 / fax 706-595-5025
478-552-0901 (Sandersville Office)

Primary Contact: Roger Jenkins roger.jenkins@ga.usda.gov
Deborah Pennington deborah.pennington@ga.usda.gov (Sandersville)
Stephanie Childs stephanie.childs@ga.usda.gov

Tifton Area Office

2406 North Tift Ave. – Suite 103
Tifton, GA 31794
229-382-0273 / fax 229-382-2823
229-336-0371 (Camilla Office)

Primary Contact: Wanda Singleton wanda.singleton@ga.usda.gov
Linda Westberry linda.westberry@ga.usda.gov (Camilla)

Georgia State Office – No file Submissions – Underwriting Questions/Lender Info Only

355 E. Hancock Ave. Stop 306
Athens, GA 30601
706-546-2169 x1 / fax 706-613-3046

Primary Contact: Ashley Carlan ashley.carlan@ga.usda.gov
Guarantee Coordinator for Georgia

COUNTY	USDA RD LOCATION	State-County Codes		COUNTY	USDA RD LOCATION	State-County Codes	
APPLING	Statesboro	10	001	DOOLY	Tifton	10	046
ATKINSON	Statesboro	10	002	DOUGHERTY	Tifton	10	047
BACON	Statesboro	10	003	DOUGLAS	Cartersville	10	048
BAKER	Tifton	10	004	EARLY	Tifton	10	049
BALDWIN	Thomson	10	005	ECHOLS	Tifton	10	050
BANKS	Clarksville	10	006	EFFINGHAM	Statesboro	10	051
BARROW	Clarksville	10	007	ELBERT	Clarksville	10	052
BARTOW	Cartersville	10	008	EMANUEL	Thomson	10	053
BEN HILL	Tifton	10	009	EVANS	Statesboro	10	054
BERRIEN	Tifton	10	010	FANNIN	Cartersville	10	055
BIBB	Barnesville	10	011	FAYETTE	Cartersville	10	056
BLECKLEY	Barnesville	10	012	FLOYD	Cartersville	10	057
BRANTLEY	Statesboro	10	013	FORSYTH	Clarksville	10	058
BROOKS	Tifton	10	014	FRANKLIN	Clarksville	10	059
BRYAN	Statesboro	10	015	FULTON	Cartersville	10	060
BULLOCH	Statesboro	10	016	GILMER	Cartersville	10	061
BURKE	Thomson	10	017	GLASCOCK	Thomson	10	062
BUTTS	Barnesville	10	018	GLYNN	Statesboro	10	063
CALHOUN	Tifton	10	019	GORDON	Cartersville	10	064
CAMDEN	Statesboro	10	020	GRADY	Tifton	10	065
CANDLER	Statesboro	10	021	GREENE	Clarksville	10	066
CARROLL	Cartersville	10	022	GWINNETT	Clarksville	10	067
CATOOSA	Cartersville	10	023	HABERSHAM	Clarksville	10	068
CHARLTON	Statesboro	10	024	HALL	Clarksville	10	069
CHATHAM	Statesboro	10	025	HANCOCK	Thomson	10	070
CHATTAHOOCHEE	Barnesville	10	026	HARALSON	Cartersville	10	071
CHATTOOGA	Cartersville	10	027	HARRIS	Cartersville	10	072
CHEROKEE	Cartersville	10	028	HART	Clarksville	10	073
CLARKE	Clarksville	10	029	HEARD	Cartersville	10	074
CLAY	Barnesville	10	030	HENRY	Barnesville	10	075
CLAYTON	Cartersville	10	031	HOUSTON	Barnesville	10	076
CLINCH	Statesboro	10	032	IRWIN	Tifton	10	077
COBB	Cartersville	10	033	JACKSON	Clarksville	10	078
COFFEE	Statesboro	10	034	JASPER	Barnesville	10	079
COLQUITT	Tifton	10	035	JEFF DAVIS	Statesboro	10	080
COLUMBIA	Thomson	10	036	JEFFERSON	Thomson	10	081
COOK	Tifton	10	037	JENKINS	Thomson	10	082
COWETA	Cartersville	10	038	JOHNSON	Thomson	10	083
CRAWFORD	Barnesville	10	039	JONES	Barnesville	10	084
CRISP	Tifton	10	040	LAMAR	Barnesville	10	085
DADE	Cartersville	10	041	LANIER	Tifton	10	086
DAWSON	Clarksville	10	042	LAURENS	Thomson	10	087
DECATUR	Tifton	10	043	LEE	Barnesville	10	088
DE KALB	Clarksville	10	044	LIBERTY	Statesboro	10	089
DODGE	Statesboro	10	045				



GEORGIA

COUNTY	USDA RD LOCATION	State-County Codes		COUNTY	USDA RD LOCATION	State-County Codes	
LINCOLN	Thomson	10	090	TAYLOR	Barnesville	11	033
LONG	Statesboro	10	091	TELFAIR	Statesboro	11	034
LOWNDES	Tifton	10	092	TERRELL	Barnesville	11	035
LUMPKIN	Clarkesville	10	093	THOMAS	Tifton	11	036
MCDUFFIE	Thomson	10	094	TIFT	Tifton	11	037
MCINTOSH	Statesboro	10	095	TOOMBS	Statesboro	11	038
MACON	Barnesville	10	096	TOWNS	Clarkesville	11	039
MADISON	Clarkesville	10	097	TREUTLEN	Thomson	11	040
MARION	Barnesville	10	098	TROUP	Cartersville	11	041
MERIWETHER	Cartersville	10	099	TURNER	Tifton	11	042
MILLER	Tifton	11	000	TWIGGS	Barnesville	11	043
MITCHELL	Tifton	11	001	UNION	Clarkesville	11	044
MONROE	Barnesville	11	002	UPSON	Barnesville	11	045
MONTGOMERY	Statesboro	11	003	WALKER	Cartersville	11	046
MORGAN	Clarkesville	11	004	WALTON	Clarkesville	11	047
MURRAY	Cartersville	11	005	WARE	Statesboro	11	048
MUSCOGEE	Barnesville	11	006	WARREN	Thomson	11	049
NEWTON	Clarkesville	11	007	WASHINGTON	Thomson	11	050
OCONEE	Clarkesville	11	008	WAYNE	Statesboro	11	051
OGLETHORPE	Clarkesville	11	009	WEBSTER	Barnesville	11	052
PAULDING	Cartersville	11	010	WHEELER	Statesboro	11	053
PEACH	Barnesville	11	011	WHITE	Clarkesville	11	054
PICKENS	Cartersville	11	012	WHITFIELD	Cartersville	11	055
PIERCE	Statesboro	11	013	WILCOX	Tifton	11	056
PIKE	Barnesville	11	014	WILKES	Thomson	11	057
POLK	Cartersville	11	015	WILKINSON	Thomson	11	058
PULASKI	Barnesville	11	016	WORTH	Tifton	11	059
PUTNAM	Thomson	11	017				
QUITMAN	Barnesville	11	018				
RABUN	Clarkesville	11	019				
RANDOLPH	Barnesville	11	020				
RICHMOND	Thomson	11	021				
ROCKDALE	Clarkesville	11	022				
SCHLEY	Barnesville	11	023				
SCREVEN	Thomson	11	024				
SEMINOLE	Tifton	11	025				
SPALDING	Barnesville	11	026				
STEPHENS	Clarkesville	11	027				
STEWART	Barnesville	11	028				
SUMTER	Barnesville	11	029				
TALBOT	Cartersville	11	030				
TALIAFERRO	Thomson	11	031				
TATTNALL	Statesboro	11	032				