



7 CFR Part 3555 & HB-1-3555 Overview

Single Family Housing Guaranteed Loan Program

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Welcome to the 7 CFR Part 3555 and technical handbook HB-1-3555 overview, presented by USDA's Single Family Housing Guaranteed Loan Program!



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Training Objectives

- Where is the topic located?
 - * 7 CFR Part 3555 and HB-1-3555
- Learning Checks
- Resources

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The objectives of the training include:

1. Demonstrating where the training topic is located in the program regulation, 7 CFR Part 3555 and the technical handbook, HB-1-3555.
2. Providing learning checks to help you gain a working knowledge of the topic, and
3. Links to online resources to assist in locating program information.



Things change!

- Every effort has been made to ensure training references are accurate at the time of publication.
- Always reference the most recent USDA publications available online.

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Every effort has been made to ensure this training and all references are accurate, however, new program revisions and clarifications may occur. Therefore, please ensure you always reference the most recent USDA publications available online.

This training module is not intended to replace the need to reference the regulation, technical handbook, and additional USDA published documents regarding the Guaranteed Loan Program.

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Rural Development Mission

USDA Rural Development is committed to helping improve the economy and quality of life in rural America.



USDA Rural Development is committed to improving the economy and quality of life in rural America. USDA offers loans, grants, and loan guarantees for not just housing but also businesses, health care, first responders, water, electric, and communication needs.

Rural Development is a perfect example of how the Federal government can work in harmony to support the private sector and lower their risk of investing money.



Guaranteed Loan Program Highlights

- 100% financing, no downpayment
- Serve low to moderate income applicants
- 30 year loan terms with fixed interest rates
- Expanded qualifying ratios
- Gift/Grant funds and Mortgage Credit Certificates (MCC) allowed
- Purchase, New Construction, and Refinance

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The Single Family Housing Guaranteed Loan Program provides many advantages to rural homebuyers and our lending partners such as

- 100% financing with no downpayment or contribution required from the applicant,
- The program serves low to moderate income applicants,
- Only 30 year loan terms are authorized with fixed interest rates,
- The program offers expanded qualifying ratios but there is flexibility allowed when strong compensating factors are documented,
- Gift funds, grant funds, and Mortgage Credit Certificate's (MCC's) are allowed, and
- Loan funds may be used for purchases, new construction, and refinance transactions.



Guaranteed Loan Program Highlights

- Eligible for Ginnie Mae pools
- Qualify for Community Reinvestment Act (CRA) credits
- Retain loan servicing or sell to approved USDA lender
- **90% Loan Note Guarantee**

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- Guaranteed loans are eligible for sale to many investors including Ginnie Mae pools,
- Guaranteed loans qualify to obtain Community Reinvestment Act (CRA) credits,
- Lenders may retain these loans to service within their portfolio, or they may sell them to another approved USDA lender for servicing and holding,
- Best of all guaranteed loans provide the lender with a 90% Loan Note Guarantee, which surpasses the risk protection provided by private mortgage insurance in the event of a default or loss.



Guaranteed Loan Program Regulation
7 CFR Part 3555

- 8 Subparts: A – H
- Appendix 1

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7 CFR Part 3555 is the program regulation. It is the first place users should look for the answers to their questions.

The regulation is the rule and it cannot be overridden by the technical handbook.

The 7 CFR Part 3555 is comprised of 8 subparts, A through H.

You can access the full regulation online as Appendix 1 from the Regulations and Guidelines website.

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7 CFR Part 3555

<http://www.rd.usda.gov/publications/regulations-guidelines>

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Publications

- Overview
- Fact Sheets
- Regulations & Guidelines**
- Reports
- Dispute Appeals
- Publications for Cooperatives
- Rural Cooperatives Magazine
- Strategic Plan
- Congressional Testimony
- Transcripts and Speeches

Regulations & Guidelines

All Federal regulations can be found at Regulations.gov and customers can search, review and submit comments on Federal documents that are open for comment and published in the Federal Register.

As a service to our customers, we post Rural Development's Instructions, Administrative Notices, and forms. The Instructions are available in three file formats: Adobe Acrobat (PDF), Microsoft Word 6.0 (doc) and Text (txt). To the extent possible, all documents have been made available in either Adobe Acrobat Ver 5.0 and higher, or Text and are 508 compliant. If you should have accessibility issues and need a hard copy, please send an e-mail to comments@wdc.usda.gov.

If you are having problems with this page, need a hard copy of any of the documents due to accessibility issues or would like to be added to the Regulations Update distribution list (available for Rural Development employees only with a valid Rural Development e-mail address, please e-mail comments@wdc.usda.gov).

Rural Development

- Administrative Notices
- Instructions
- Forms
- Spanish Forms, Form Letters and Guide Letters
- Handbooks**
- Procedures Notices
- Significant Guidance Documents
- Unnumbered Letters
- Federal Register Publications

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The Regulations and Guidelines website is located from the link shown on the slide.

Under “Rural Development” there are many items available from this home page.

To access the regulation, select “Handbooks.”

The screenshot shows the USDA Rural Development website. At the top, there is a header with the USDA logo and the text 'United States Department of Agriculture Rural Development'. Below this is a large image of a rural landscape with a water tower and houses. The main heading is '7 CFR Part 3555'. Below the heading is a navigation bar with links for 'Home', 'About RD', 'Programs & Services', 'Browse by State', 'Newsroom', 'Publications', and 'Contact Us'. A search bar is also present. The main content area is divided into two columns. The left column is titled 'Publications' and lists various document types like 'Overview', 'Fact Sheets', 'Regulations & Guidelines', 'Reports', 'Dispute Appeals', 'Publications for Cooperatives', and 'Rural Cooperatives Magazine'. The right column is titled 'Handbooks' and lists several handbooks, with 'HB-1-3555 SFH Guaranteed Loan Program Technical Handbook' highlighted in yellow. To the right of the handbook list is a 'Table of Contents' for HB-1-3555, listing chapters 1 through 20 and appendices 1 through 10. The page number '9' is visible in the bottom right corner.

A list of all USDA Rural Development handbooks will display.

Be sure to select the correct technical handbook: HB-1-3555.

Once HB-1-3555 is selected, the entire handbook, including all appendix will display for selection.

Appendix 1 is the full regulation, 7 CFR Part 3555.



7 CFR Part 3555
Subpart A: General

- .1: Applicability
- .2: Purpose
- .3: Civil Rights
- .4: Mediation and appeals
- .5: Environmental requirements
- .6: State and local law
- .7: Exception authority
- .8: Conflict of interest
- .9: Enforcement
- .10: Definitions and abbreviations

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Subpart A of the regulation is titled as General. The topics available under this Subpart are listed on the slide. Some of the more widely used sections under this Subpart are:

- Mediation and appeals for adverse decisions issued by the Agency
- Environmental requirements will include hazard and flood insurance guidance
- Definitions and abbreviations is very useful to help determine USDA's interpretation and meaning for terms included in the regulation



7 CFR Part 3555
Subpart B: Lender Participation

- .51: Lender eligibility
- .52: Lender approval
- .53: Contracting for loan origination
- .54: Sale of loans to approved lenders

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Subpart B is Lender Participation and will include all the information lenders need to become an approved lender and understand their responsibilities for the origination, closing, and servicing of guaranteed loans.



7 CFR Part 3555
Subpart C: Loan Requirements

- .101: Loan Purposes
- .102: Loan restrictions
- .103: Maximum loan amount
- .104: Loan terms
- .105: Combination construction and permanent loans
- .107: Application for and issuance of loan guarantee
- .108: Full faith and credit

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Subpart C is Loan Requirements. This Subpart outlines what is eligible to be financed into the loan and includes information regarding the Loan Note Guarantee.



7 CFR Part 3555
Subpart D: Underwriting the Applicant

- .151: Eligibility requirements
- .152: Calculation of income and assets

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Subpart D is specific to underwriting the applicant including eligibility requirements the calculation of income including repayment, annual, adjusted, and assets.



7 CFR Part 3555
Subpart E: Underwriting the Property

- .201: Site requirements
- .202: Dwelling requirements
- .203: Ownership requirements
- .204: Security requirements
- .205: Special requirements for condominiums
- .206: Special requirements for community land trusts
- .207: Special requirements for Planned Unit Developments (PUD's)
- .208: Special requirements for manufactured homes
- .209: Rural Energy Plus loans

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Subpart E discusses underwriting the property that serves as the collateral for the loan.



7 CFR Part 3555

Subpart F: Servicing Performing Loans

- .251: Servicing responsibility
- .252: Required servicing actions
- .253: Late payment charges
- .254: Final payments
- .255: Borrower actions requiring lender approval
- .256: Transfer and assumptions
- .257: Unauthorized assistance

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Subpart F is where servicing lenders can review guidelines on their responsibilities to properly service loans that are performing, meaning not delinquent.



7 CFR Part 3555

Subpart G: Servicing Non-Performing Loans

- .301: General servicing techniques
- .302: Protective advances
- .303: Traditional loan servicing options
- .304: Special servicing options
- .305: Voluntary liquidation
- .306: Liquidation
- .307: Assistance in natural disasters

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Subpart G will assist lenders to service loans that are not performing and are now delinquent or may require servicing actions.



7 CFR Part 3555
Subpart H: Collecting on the Guarantee

- .351: Loan guarantee limits
- .352: Loss covered by the guarantee
- .353: Net recovery value
- .354: Loss claim procedures
- .355: Reducing or denying the claim
- .356: Future recovery

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Subpart H focuses on the Loan Note Guarantee and loss claim procedures.



**Guaranteed Loan Program Technical Handbook
HB-1-3555**

- Provides guidance to support the regulation
- HB is not the rule
- 20 Chapters

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The 7 CFR Part 3555 regulation cannot cover every topic and every potential scenario, therefore a technical handbook has been published to support the regulation and provide additional clarification. HB-1-3555 has 20 chapters.

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HB-1-3555

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Home / Publications / Regulations & Guidelines / Handbooks

Publications

- Overview
- Fact Sheets
- Regulations & Guidelines
- Reports
- Dispute Appeals
- Publications for Cooperatives
- Rural Cooperatives Magazine

Handbooks

- HB-1-3550 Direct Single Family Housing Loans and Grants - Field Office Handbook
- HB-2-3550 Direct Single Family Housing Loans and Grants - Centralized Services
- HB-1-3555 SFH Guaranteed Loan Program Technical Handbook**
- HB-1-3556 MFH Loan Origination Handbook
- HB-2-3556 MFH Asset Management Handbook
- HB-3-3556 MFH Project Servicing Handbook
- HB-1-3558 Guaranteed Rural Rental Housing Program Origination and Servicing
- Application Information Systems Support Handbook
- HB-1-3559 Direct Single Family Housing Loans and Grants - Field Office Handbook

HB-1-3555 SFH Guaranteed Loan Program Technical Handbook

Table of Contents

- Chapter 1** - Overview
- Chapter 2** - Record Retention
- Chapter 3** - Lender Approval
- Chapter 4** - Lender Responsibilities
- Chapter 5** - Origination and Underwriting Overview
- Chapter 6** - Loan Purposes
- Chapter 7** - Loan Terms and Conditions
- Chapter 8** - Applicant Characteristics
- Chapter 9** - Income Analysis
- Chapter 10** - Credit Analysis
- Chapter 11** - Ratio Analysis
- Chapter 12** - Property and Appraisal Requirements
- Chapter 13** - Special Property Types
- Chapter 14** - Funding Priorities
- Chapter 15** - Submitting the Application Package
- Chapter 16** - Closing the Loan and Requesting the Guarantee
- Chapter 17** - Regular Servicing-Performing Loans
- Chapter 18** - Servicing Non-Performing Loans - Accounts with Repayment Problems
- Chapter 19** - Custodial and Real Estate Owned Property
- Chapter 20** - Loss Claims - Collecting on the Guarantee

Acronyms

Glossary

- Appendix 1** - 7 CFR part 3555
- Appendix 2** - Forms and Instructions
- Appendix 3** - Review and Appeals
- Appendix 4** - Agency and Employee Addresses
- Appendix 5** - Income Limits
- Appendix 6** - Interest Assistance
- Appendix 7** - Calvers Access Instructions
- Appendix 8** - EDI Documentation
- Appendix 9** - Penalties
- Appendix 10** - Unnumbered Letter and State Supplements

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The handbook may be accessed from the Regulations and Guidelines website. When HB-1-3555 is selected, the entire handbook will display which includes a Table of Contents of each handbook chapter, all 20 chapters, acronyms, glossary, and all 10 appendix.



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HB-1-3555

1. Overview
- 2: Record Retention
- 3: Lender Approval
- 4: Lender Responsibilities
- 5: Origination and Underwriting Overview
- 6: Loan Purposes
- 7: Loan Terms and Conditions
- 8: Applicant Characteristics
- 9: Income Analysis
- 10: Credit Analysis

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This slide lists the first ten handbook chapters. The handbook is well organized and it is easy to locate topics.



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Agriculture
Rural Development

HB-1-3555

- 11: Ratio Analysis
- 12: Property and Appraisal Requirements
- 13: Special Property Types
- 14: Funding Priorities
- 15: Submitting the Application Package
- 16: Closing the Loan and Requesting the Guarantee
- 17: Regular Servicing – Performing Loans
- 18: Servicing Non-Performing Loans
- 19: Custodial and Real Estate Owned Property
- 20: Loss Claims – Collecting on the Guarantee

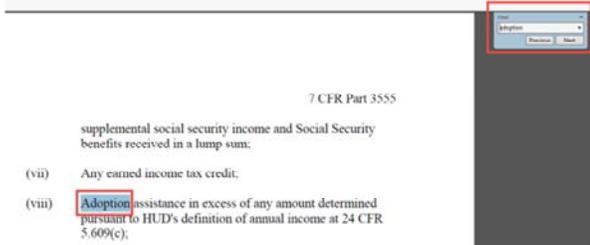
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This slide lists handbook chapter eleven through twenty. Again, each chapter is clearly titled to assist the user to locate information more quickly.

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TIPS

- Underwriter = USDA Approved Lender
- USDA = not an underwriter
- Research Rule & HB questions: Table of Contents
- Research Rule & HB questions: Control + F



7 CFR Part 3555

supplemental social security income and Social Security benefits received in a lump sum:

(vii) Any earned income tax credit;

(viii) **Adoption** assistance in excess of any amount determined pursuant to HUD's definition of annual income at 24 CFR 5.609(c).

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A few helpful tips:

1. The underwriter of the loan is the approved lender's underwriter.
2. USDA is NOT the underwriter of the loan.
3. When researching topics, it is helpful to begin with the Table of Contents for the regulation and the handbook.
4. A great best practice when searching for information is to open the regulation or a handbook chapter, select the "Control" button on the keyboard, hold it down, and then also select the "F" key. A keyword search box will appear. Enter a keyword or phrase to locate information more quickly.



The Regulations and Guidelines website includes a host of program information from the home page. The link to access this site is also displayed on the slide.

Under “Rural Development” there are different publications and resources that are helpful to learning about the program in order to properly deliver it.

These bullets include:

- Administrative Notices (AN’s): Because the Single Family Housing Guaranteed Loan Program has a technical handbook, there are no Administrative Notices published for this program. All program clarification will be addressed in HB-1-3555.

The rest of these bullets will be addressed in the slides that follow.



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Regulations

Instructions

PART 1924: CONSTRUCTION AND REPAIR

1924-A Planning and Performing Construction and Other Development Exhibits (PDF only) see also, AN 4788; AN 4792; AN 4793; AN 4795; AN 4800 PDF DOC

1924-C Planning and Performing Site Development Work Exhibits (PDF only) PDF DOC

1924-F Complaints and Compensation for Construction Defects PDF DOC

PART 1970: ENVIRONMENTAL

1970-A Environmental Policies PDF DOC

1970-B NEPA Categorical Exclusions PDF DOC

1970-C NEPA Environmental Assessments PDF DOC

1970-D NEPA Environmental Impact Statements PDF DOC

1970-E Guidance for Conducting Environmental Justice and Socioeconomic Analyses PDF DOC

1970-F Floodplan Management PDF DOC

1970-G Wetland Protection PDF DOC

1970-H Historic and Cultural Resources PDF DOC

1970-I Intergovernmental Review PDF DOC

1970-J Environmental Risk Management PDF DOC

1970-L Land Use and Formally Classified Land PDF DOC

1970-N Biological Resources PDF DOC

1970-O Miscellaneous Resources PDF DOC

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7 CFR Part 3555 includes references to additional Instructions utilized by the guaranteed loan program. Two examples include Part 1924 for New Construction and Repair and Part 1970 a recently published Environmental regulation. All Instructions are available in pdf or word document versions.

If any Administrative Notices apply to part of an Instruction, they will be listed and available for selection.



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Regulations Handbooks

Handbooks

- HB-1-3550** Direct Single Family Housing Loans and Grants - Field Office Handbook
- HB-2-3550** Direct Single Family Housing Loans and Grants - Centralized Servicing Center Handbook
- HB-1-3555** SFH Guaranteed Loan Program Technical Handbook
- HB-1-3560** MFH Loan Origination Handbook
- HB-2-3560** MFH Asset Management Handbook
- HB-3-3560** MFH Project Servicing Handbook
- HB-1-3565** Guaranteed Rural Rental Housing Program Origination and Servicing Handbook
- Application Information Systems Support Handbook

HB-1-3555 SFH Guaranteed Loan Program Technical Handbook

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- Appendix 9** - Penalties
- Appendix 10** - Unnumbered Letter and State Supplements

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The full handbook and regulation is located under “Handbooks.” By selecting “HB-1-3555” the entire handbook will display.



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Regulations

Unnumbered Letters

Current Unnumbered Letters are listed by month and will open with a listing of ULs released for the month. Each listing is enclosed in a box; if you click in the box, it will take to the desired letter.

- **Housing**
 - [Use of the Department of the Treasury's Do Not Pay Portal When Determining Program Eligibility in the Single Family Housing Direct Programs, June 1, 2016](#)
 - [Management of Unused Rental Assistance, May 24, 2016](#)
 - Fiscal Year 2015 Management Control Review Section 504 Loan and Grant Program, May 12, 2016
 - Hosting the U.S. Department of Agriculture Summer Food Service Programs at Rural Development Multi-Family Housing Properties, May 10, 2016
 - Processing Section 533 Housing Preservation Grant Program Requests for Fiscal Year 2016, May 9, 2016
 - Implementation of the Certified Loan Application Packaging Process and General Packaging Guidance for the Section 502 Direct Single Family Housing Program, May 6, 2016
 - Processing Section 514/516 New Construction Loan and/or Grant Requests Fiscal Year (FY) 2016, April 19, 2016
 - Interest Rate Changes for Business and Industry Loans, April 7, 2016
 - Single Family Housing Guaranteed Loan Program Upfront Guarantee Fee and Annual Fee for Fiscal Year 2017 March 31, 2016
 - Interest Rate Changes for Water and Waste Disposal Loan, March 28, 2016
 - Interest Rate Changes for Housing Programs and Credit Sales (Nonprogram), March 26, 2016
 - Rental Assistance Obligation Tool, March 18, 2016
 - Establishing the Fiscal Year 2016 Area Loan Limits for the Single Family Housing Direct Program and the Continuation of the Pilot Program Using the Alternative Method 02-23-15
 - Guidance on the Capital Needs Assessment ICNA Process 02-18-16
 - Interest Rate Changes for Housing Programs and Credit Sales (Nonprogram), 02-08-16

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USDA may publish an Unnumbered Letter (UL) to announce a new upfront guarantee fee or annual fee structure. Another popular Unnumbered Letter topic may address the issuance of Conditional Commitments before funding is received by the Agency at the beginning of a new fiscal year. This site will list Unnumbered Letters published by not only the Single Family Housing Guaranteed Loan Program but also additional Rural Development programs. Ensure you select an Unnumbered Letter that is applicable to the correct program.

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Regulations

Forms

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Service Center Agencies eForms

You are here: Home

Home About eForms Help Contact Us Login

eForms
Browse Forms

Welcome to the USDA Service Center Agencies eForms.

eForms allows you to search for and complete forms requesting services from Farm Service Agency (FSA), Natural Conservation Service (NRCS), and Rural Development (RD). There are 2 ways to use the eForms site.

- You can click the [Browse Forms](#) menu option on the left of the page and search for your form. You can complete the form, print it out and either mail or fax the form to your local service center. A user ID and password is not required.

OR

- You can complete the forms online and submit the forms electronically to your local service center. You will be able to save the forms to use again and you can package multiple forms together to submit all at one time. You will need to obtain a USDA eAuthentication ID and Password with Level 2 Access, which you can do by registering below.

If you already have a USDA eAuthentication ID and Password with Level 2 Access, you can Login below.

[Login](#) [Register](#)

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If you select “Forms” you will be taken to the eForms website. Select “Browse Forms.”

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Regulations

Forms

You are here: [Home](#) / [Browse Forms Search](#)

Browse Forms

You may search for a form by completing any of the fields below or just click Search for a list of all forms. You can view and print the forms without signing in. If you would like to save and submit the forms electronically, click login.

When viewing the forms, please have only **one** browser window open.

Agency Name:

Program Name:

Service Name:

Form Number:

Title or Keywords:

Show Results:

You are here: [Home](#) / [Search](#) / [Forms](#)

Browse Forms

We have found **1** forms which satisfy your search criteria. You may now view any of the forms below by clicking on the form number. To see the instructions on how to complete the form, click on the instruction button in the Help column.

To view these forms, you will need to have the free Adobe Acrobat Reader installed on your computer.

When viewing a form, please have only **one** browser window open.

1 - 1 of 1

Form Number	Form Title	Help
KD 3555-21	Request for Single Family Housing Loan Guarantee	

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In the first screen shot, enter the number of the form you wish to view. In this example “3555-21” has been entered, and then select “Search.”

In the second screen shot the form will display under “Form Number” and you may select the hyperlink to view the form. Most forms are fillable pdf’s.



Regulations

Procedure Notices

(List contains PNs for the last 12 months)
 PN-Procedure Notice & SPN-Special Procedure Notice

- SPN Changes 440-1, 1910-B, 1910-C, **HB-1-3555**, HB-1-3565, June 22, 2016
- SPN Changes 1940-L, HB-1-3550 (Income Limits) and **HB-1-3555** (Income Limits), June 15, 2016
- SPN Changes 440-1, 1940-M, 4280-B, HB-1-3555, June 2, 2016
- PN 486 Changes 440-1, 1951-O, HB-1-3550 and HB-1-3550, May 19, 2016
- PN 485 Changes 440-1, 1901-A, HB-1-3550, HB-1-3560, HB-2-3550 and HB-3-3550, April 27, 2016
- SPN Changes 440-1, 1024-A, 1024-C, 1940-G, 1940-T, 1942-A, 1942-C, 1944-B, 1944-L, 1944-K, 1944-N, 1948-B, 1951-E, 1951-R, 1955-C, 1970-A, 1970-B, 1970-C, 1970-D, 1970-E, 1970-F, 1970-G, 1970-H, 1970-I, 1970-J, 1970-L, 1980-E, 3570-B, 3575-A, 4274-D, 4279-A, 4279-B, 4279-C, 4280-A, 4280-B, 4280-E, 4284-A, 4284-J, 4287-B, 4288-A, 4290-A and HB-1-3550, HB-1-3555, HB-1-3560, HB-2-3560, HD-3-3560, HD-1-3565, April 1, 2016
- SPN Changes 440-1, 1951-O and 1980-K, March 17, 2016
- SPN Changes 440-1, 1901-A, 4284-J, HB-1-3555 and HB-2-3550, March 9, 2016
- PN 484 Changes 440-1 and 1940-L, February 22, 2016
- PN 483 Changes 440-1, 1951-O and HB-1-3550, February 10, 2016
- PN 482 Changes 440-1, 1901-A and 1940-L, January 21, 2016
- PN 481 Changes HB-1-3550, December 7, 2015
- PN 480 Changes 440-1, 1940-L and 1951-O, November 6, 2015
- PN 479 Changes 440-1, 1901-A, 2000-KK, HB-1-3550 and HB-2-3550, October 16, 2015
- SPN Changes 440-1, 4279-B, and HB-1-3550, August 26, 2015
- PN 478 Changes 440-1, 1951-O, 2045-EE, HB-1-3550, HB-1-3565 and HB-2-3560, July 30, 2015
- PN 477 Changes 440-1, 4279-B and HB-1-3550, June 25, 2015

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Procedure Notices are also available for view. Procedure Notices are published to provide updates to regulations. Ensure the Procedure Notice you wish to view includes an update for the applicable regulation, instruction, handbook, etc.



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Regulations

Federal Register

Publications

Housing

Single Family Housing Guaranteed Loan Program, proposed rule, published 10/06/15

Single Family Housing Direct Loan Program, final rule, delay of effective date, published 9/11/2015

Notice of Solicitation of Applications for the Multifamily Preservation and Revitalization Demonstration Program Under Section 514, Section 515, Section 516 for Fiscal Year 2015, correction, published 8/18/2015

Multi-Family Housing Program Requirements to Reduce Financial Reporting Requirements, proposed rule, published 8/6/15

Notice of Solicitation of Applications for the Multifamily Preservation and Revitalization Demonstration Program Under Section 514, Section 515, Section 516 for Fiscal Year 2015, published 8/3/2015

Reserve Account, final rule, 6/17/2015

Notice of Intent to Accept Applications to be an Intermediary Under the Certified Loan Application Packaging Process Within the Section 502 Direct Single Family Housing Program, published 6/9/2015

Single Family Housing Direct Loan Program, final rule, deferral of effective date, published 6/5/2015

Notice of Solicitation of Applications for the Section 533 Housing Preservation Grants for Fiscal Year 2015, published 5/20/2015

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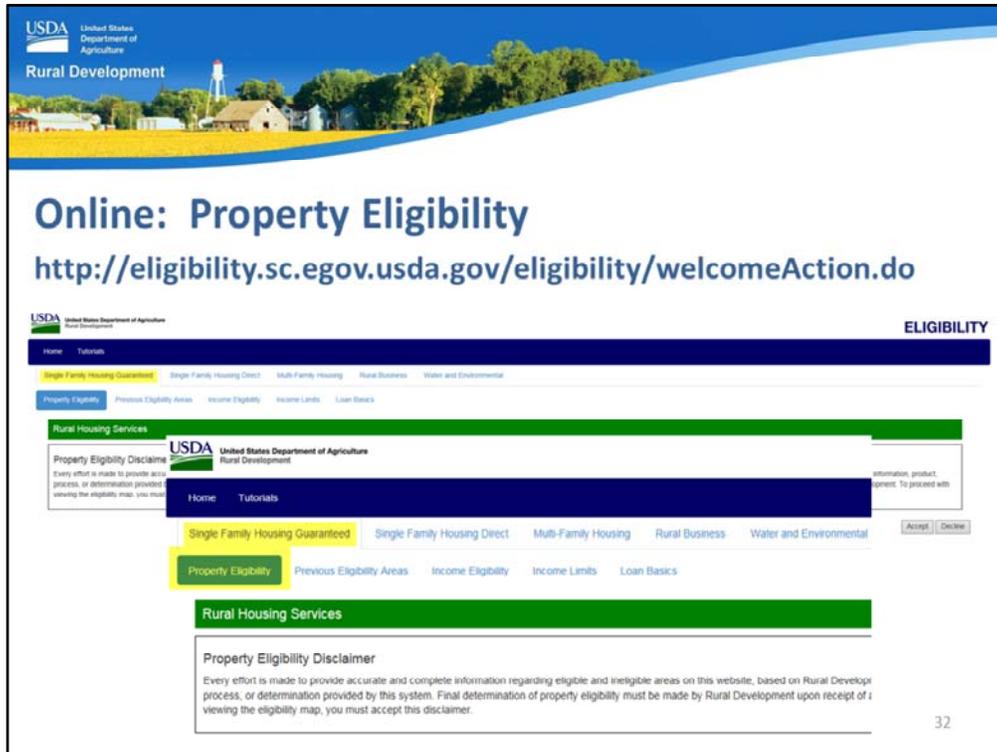
When USDA publishes a Federal Register Notice it may be available from the “Federal Register Publication” site. Ensure you select a Federal Register Notice that pertains to the correct program.



**7 CFR PART 3555 / HB-1-3555
ONLINE TOOLS**

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USDA offers many convenient online tools in addition to the Regulations and Guidelines site. Let's review a few that will assist you to serve more rural homebuyers with efficiency and accuracy!

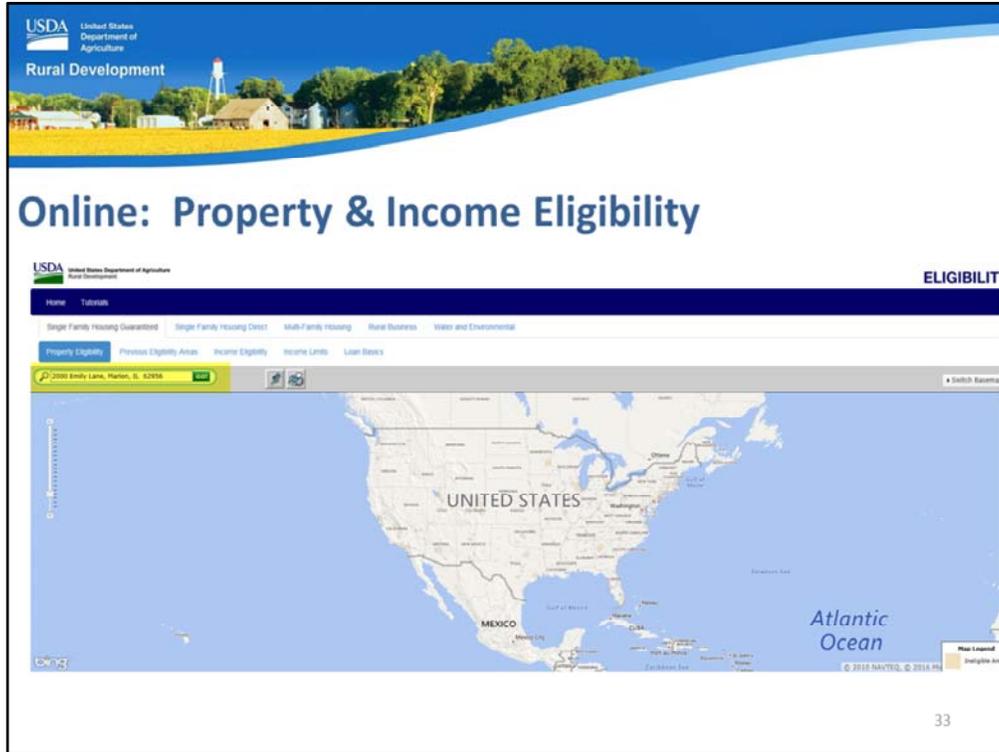


The online Property and Income Eligibility website is accessed through the link displayed on this slide. Let's first look at online property eligibility.

On the top screen shot select "Single Family Housing Guarantee."

Then from the second, or bottom screen shot select "Property Eligibility."

A Property Eligibility Disclaimer will display to state that every effort is made to ensure the maps and determinations rendered are accurate, however final property eligibility decisions are made by USDA. You can select "Accept" to move forward to the property eligibility site. The "Accept" button is not show on this slide or in this screen shot.



A map of the United States will display. In the upper left hand corner there is a data field where a complete address may be entered. After entering the address select "GO."

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Online: Property & Income Eligibility

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ELIGIBILITY

Home Tutorials

Single Family Housing Guaranteed Single Family Housing Direct Multi-Family Housing Rural Business Water and Environmental

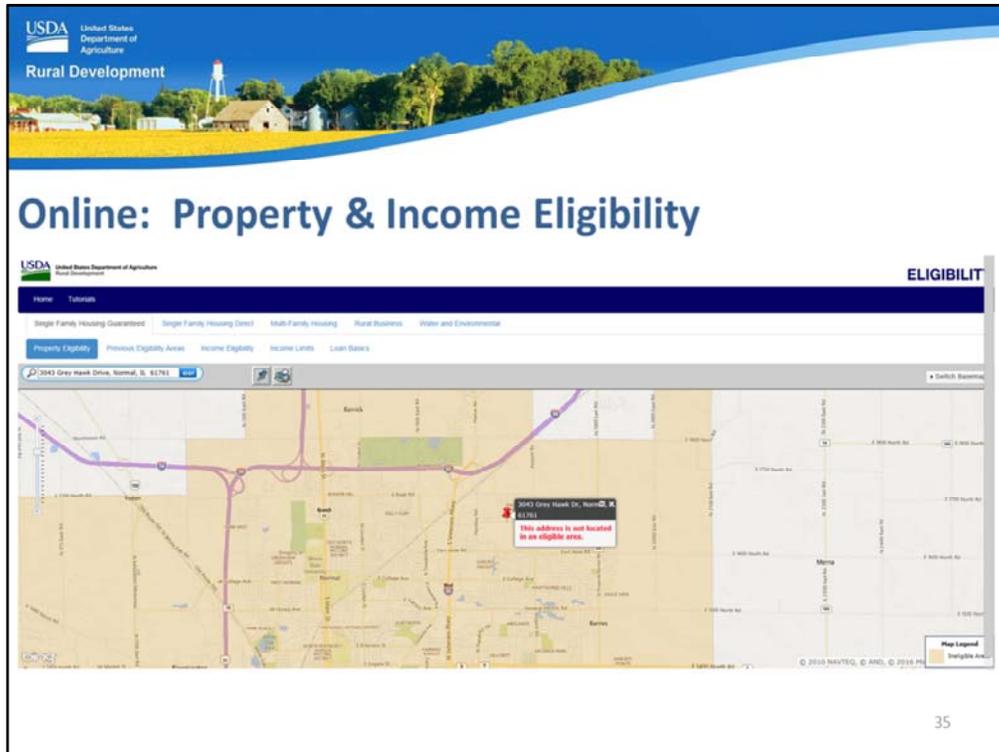
Property Eligibility Previous Eligibility Areas Income Eligibility Income Limits Loan Base's

2000 Emily Lane, Marion, IL 62958

2000 Emily Ln, Marion, IL 62958
This address is located in an eligible area.

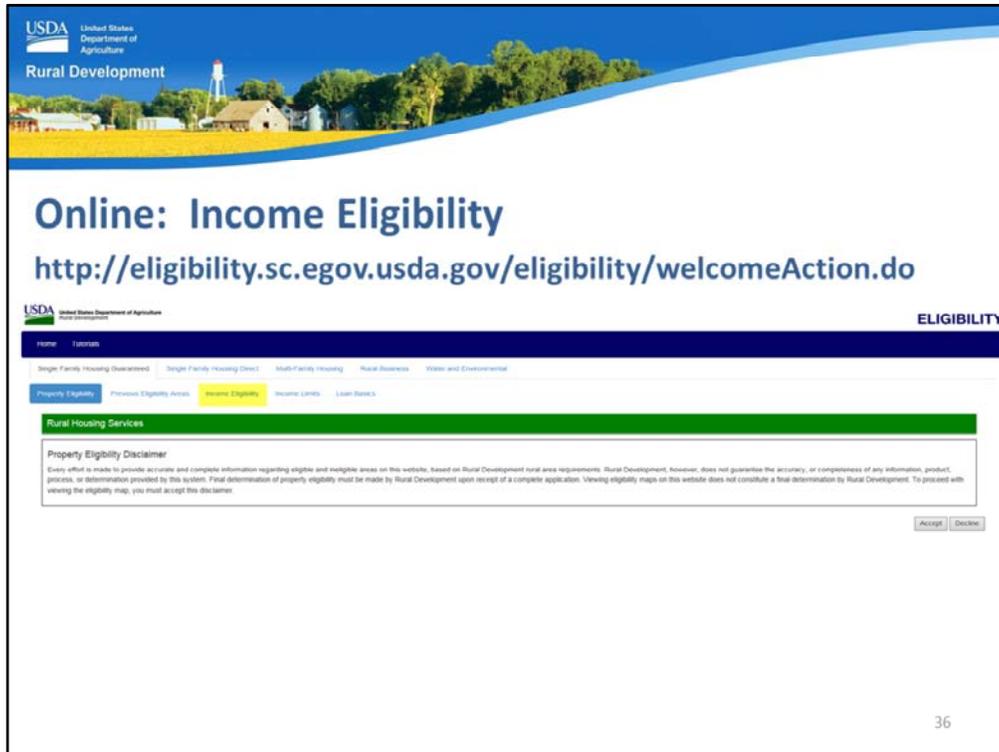
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If the address is able to be mapped, a determination will display. In this example the property is located in an eligible area.



In this example the property is located in an ineligible area.

Another determination may be “Unable to Determine” which may indicate a new construction property or an error in the system at this time. You may always contact the USDA State Office where the property is located for further assistance.



There are two ways to help make the income eligibility determination. For those just learning about the guaranteed loan program, and you may be unaware of eligible deductions that may help a household qualify, you may wish to pursue the first option by selecting “Income Eligibility.”

Once this option is selected the system will prompt you to select the State, County, and Metropolitan Statistical Area (MSA) where the property is located.

USDA United States Department of Agriculture
Rural Development

Online: Income Eligibility

Single Family Housing Income Eligibility

Property Location

State: Arizona County: Graham Metropolitan Area: Graham County, AZ

Household Members Information

Number of People in Household : 1
(Include all persons living in the household except foster adults and foster children.)

Number of Residents Under 18 Years Old, Disabled or Full Time Students : 2
(Do not include the applicant, spouse, or co-applicant.)

Is Loan Applicant or Co-Applicant age 62 or older? : No

Are there any Disabled Persons Living in the Household? : No

Next Next Reset

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On this screen shot you can see we have selected “Arizona” for the State, “Graham” for the county, and “Graham County, AZ” as the MSA.

Now the screens will lead you through the income eligibility determination. Complete the total number of people in the household.

Enter the number of those household members that are under 18 years of age, or are 18 years of age and older but are full time students or are disabled.

If the Loan Applicant or Co-applicant are age 62 or older enter “yes” or “no.”

If there are any disabled persons living in the household enter “yes” or “no.”

Select “Next” to move forward in the determination.

USDA United States Department of Agriculture
Rural Development

Online: Income Eligibility

Single Family Housing Income Eligibility

Property Location

State: Arizona County: Graham Metropolitan Area: Graham County, AZ

Expenses and Deductions

Annual Child Care Expenses: 6000

Gross Monthly Income

	Applicant	Other Household Member
Base Employment Income	4000	1200
Overtime Income	0	0
Bonus Income	0	0
Commission Income	0	0
Self-Employment Income	0	0
Dividend/Interest Income	0	0
Net Rental Income	0	0
Other Income	0	0
All Other Income Received by Adult Members of the Household:		

[Click here for further explanation](#)

Finish Finish Reset

Eligible child care expenses may entered as an annual figure.

Many income types will be listed for completion in regards to the applicant, co-applicant, and/or other household members who are age 18 and above. Once complete select “Finish.”

USDA United States Department of Agriculture
Rural Development

Online: Income Eligibility

Single Family Housing Income Eligibility

Property Location

State: Arizona County: Graham Metropolitan Area: Graham County, AZ

Single Family Housing Program -- Income Eligibility Determination Summary

Applicant is **ELIGIBLE** for the Section 502 Guaranteed Rural Housing Loan Program and **INELIGIBLE** for the Section 502 Direct Rural Housing Loan Program based on income entered and Program Income Guidelines in effect as of 06-23-2016. [Applicants must show repayment ability, here >](#)

[Additional links below to the loan program, 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:	\$68,400.00
Total Deductions:	\$6,960.00
Household Adjusted Annual Income:	\$61,440.00
Section 502 Guaranteed Rural Housing Loan Program	
Maximum Adjusted Household Income for Selected State and County:	\$75,600.00
Section 502 Direct Rural Housing Loan Program	
Maximum Adjusted Household Income for Selected State and County:	\$42,200.00
Adjusted Household Income Exceeds Maximum Income by:	\$19,190.00

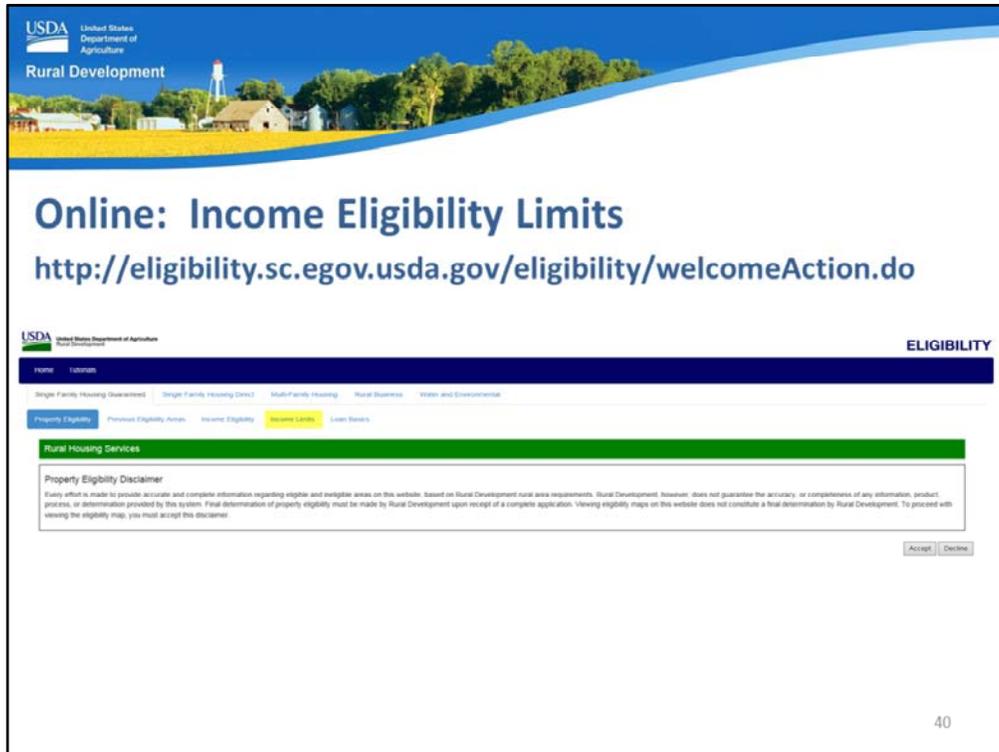
Print Close Reset

An eligibility determination will display. The message will state if based on the data entered on the previous screens the applicant is eligible for a guaranteed or direct loan.

There are also links to contact a USDA representative for both the guaranteed and direct loan programs.

A summary of the adjusted annual income will display to document how the eligibility calculations were performed.

This screen may be printed if you wish.



The second option to assist in determining income eligibility is to view the income limits. This may begin by selecting “Income Limits.”

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Rural Development



Online: Income Eligibility Limits

USDA United States Department of Agriculture

Select a state to see the income limits for the counties in that state.

Rural Development Single Family Housing Guaranteed Loan Program



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A map of the United States will display. Please select the State whose income limits you wish to view. In this example we will select "Illinois."



Online: Income Eligibility Limits

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GUARANTEED HOUSING PROGRAM INCOME LIMITS

STATE: ILLINOIS ADJUSTED INCOME LIMITS

PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON*
Bloomington, IL MSA								
VERY LOW INCOME	30700	35100	39500	43900	47400	50900	54400	57900
LOW INCOME	44050	52450	59000	65000	71050	76350	81650	86950
MOD. INC.-GUAR. LOAN	94000	94000	94000	94000	124850	124850	124850	124850
De Witt County, IL MSA								
VERY LOW INCOME	23150	24450	29750	33050	35700	38350	41000	43650
LOW INCOME	37050	42300	47600	52900	57150	61350	65600	69850
MOD. INC.-GUAR. LOAN	76050	76050	76050	76050	100400	100400	100400	100400
Cape Girardeau, MO-IL MSA								
VERY LOW INCOME	19300	22050	24800	27550	29800	32000	34200	36400
LOW INCOME	30850	35200	39700	44100	47650	51150	54700	58200
MOD. INC.-GUAR. LOAN	76050	76050	76050	76050	100400	100400	100400	100400
Carbondale-Marion, IL MSA								
VERY LOW INCOME	21000	24000	27000	29950	32350	34750	37150	39550
LOW INCOME	33550	38300	43100	47900	51750	55550	59400	63250
MOD. INC.-GUAR. LOAN	74050	74050	74050	74050	100400	100400	100400	100400
Williamson County, IL MSA								
VERY LOW INCOME	21100	24100	27100	30100	32550	34950	37350	39750
LOW INCOME	33700	38500	43300	48150	52000	55850	59700	63550
MOD. INC.-GUAR. LOAN	74050	74050	74050	74050	100400	100400	100400	100400
Champaign-Urbana, IL MSA								
VERY LOW INCOME	25200	28900	32400	35950	38850	41700	44600	47500
LOW INCOME	40200	46000	51700	57500	63100	68700	74300	79900
MOD. INC.-GUAR. LOAN	82450	82450	82450	82450	109100	109100	109100	109100
Chicago-Joliet-Naperville, IL MSA								
VERY LOW INCOME	24950	30800	34650	38450	41250	44050	47000	50000
LOW INCOME	43050	49200	55350	61500	66400	71350	76250	81200
MOD. INC.-GUAR. LOAN	88400	88400	88400	88400	114700	114700	114700	114700

* ADD 5% OF 4 PERSON LIMIT FOR EACH PERSON IN EXCESS OF 4 PERSONS
 ** MODERATE INCOME IS DEFINED AS THE GREATER OF 115% OF THE U.S. MEDIAN FAMILY INCOME OR 115% OF THE AVG. OF THE STATE-WIDE AND STATE NON-METRO MEDIAN FAMILY INCOMES OR 115%/80% OF THE AREA LOW-INCOME LIMIT 04/15/2016 SPECIAL 99

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A pdf of the income limits for the selected state will display.

The MSA areas will display first. Be aware that a county you may be looking for is included in one of the MSA's listed.

Ensure you refer to the "Mod-Inc. Guar. Loan" line when reviewing these income limits. Households of 1-4 will match. Households of 5-8 will match.

Keep in mind that the income limits listed are the ADJUSTED ANNUAL INCOME limits. This means the annual income may be higher, but if the household qualifies for eligible deductions for childcare, dependents, etc. they may still be eligible to apply.

USDA United States Department of Agriculture
Rural Development

Online: Loan Basics

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

USDA United States Department of Agriculture
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Single Family Housing Guaranteed Single Family Housing Direct Multi-Family Housing Rural Business Water and Environmental

Property Eligibility Previous Eligibility Areas Income Eligibility Income Limits **Loan Basics**

Rural Housing Services

Property Eligibility Disclaimer
Every effort is made to provide accurate and complete information regarding eligible and ineligible areas on this website, based on Rural Development rural area requirements. Rural Development, 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 upon receipt of a complete application. Viewing eligibility maps on this website does not constitute a final determination by Rural Development. To proceed with viewing the eligibility maps, you must accept this disclaimer.

Accept Decline

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There is also a link to additional program information under “Loan Basics.”

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Rural Development



Online Resource: Loan Basics

How do we get started?
Applicants must apply with an approved lender. Applicants can review a partial list of approved lenders and information about all of the approved lenders in your state can be obtained by contacting your state's Guaranteed Loan Coordinator.

Who can answer questions?
Applicants with questions should contact an approved lender. Lenders with questions can contact a **Guaranteed Loan Specialist** in your state.

What governs this program?

- 7 CFR, Part 3555
- HD-1-3555 - SFH Guaranteed Loan Program Technical Handbook

Why does USDA Rural Development do this?
This program helps lenders work with low and moderate income families living in rural areas to make homeownership a reality. Providing affordable homeownership opportunities promotes prosperity, which in turn creates thriving communities and improves the quality of life in rural areas.

NOTE: Because citations and other information may be subject to change please always consult the program instructions listed in the section above titled "What Law Governs this Program?" You may also contact your local office for assistance.

[Check Eligibility](#) [Lender Portal](#) [Home Loan Servicing](#)

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This website includes a link to assist you to locate a USDA State Office Guaranteed Loan Coordinator.



Online Resource: Contact USDA

USDA United States Department of Agriculture

ELIGIBILITY

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 [Single Family Housing Direct](#) |
 [Multi-Family Housing](#) |
 [Rural Business](#) |
 [Water and Environmental](#)

USDA Rural Housing Single Family Housing Guaranteed Loan Contacts

If you are an individual interested in learning how to apply for a USDA Rural Housing Single Family Housing Guaranteed Loan, please contact an Agency representative in your State from the table below. Our representative can provide you with information on the USDA, Single Family Housing Guaranteed Loan Program and inform you of local lenders participating in the Single Family Housing Guaranteed Loan Program.

If you are a lender interested in participating in the Single Family Housing Guaranteed Loan Program, you may also contact an Agency representative in your State from the table below. Our representative will provide you with information on how to participate in the USDA, Single Family Housing Guaranteed Loan Program.

STATE	CONTACT	PHONE #	EXT.	FAX #	E-MAIL ADDRESS or URL
AK	Karen Larsson	(907)941-7732		(907)941-7794	karen.larsson@usda.usda.gov
AL	Reginald O. Marable, Sr	(334)279-2633		(855)875-2115	reginald.marable@usda.usda.gov www.usda.gov/US
AR	Single Family Housing	(501)201-3235		(855)247-7799	sa.walsh@ndf@usda.usda.gov
AS	Sakitta Wilson-Suaveal	(844)633-1131	134	(844)633-4329	sakitta.wilson-suaveal@usda.usda.gov
AZ	Katie Yager	(602)261-8741		(855)899-6025	katie.yager@usda.usda.gov

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Each State and U.S. Territory will provide a point of contact which includes a phone number, fax number, and email address.

USDA LINC: Online Calculator
<https://usdalinc.sc.egov.usda.gov/USDALincTrainingResourceLib.do>

USDA LINC Training & Resource Library

The documents and material contained in the USDA LINC Training and Resource Library use Adobe PDF and Adobe Flash formats. To view PDF files you must have Adobe Acrobat Reader installed on your computer. To view Flash files you must have Adobe Flash Player installed on your computer.

7 CFR 3555

Training

1. 7 CFR Part 3555 Origination Overview (Webcast)
2. 7 CFR Part 3555 Servicing Overview (Webcast)

Documentation and Resources

1. Frequently Asked Questions (PDF)
2. 3555 Handbook (PDF)
3. 7 CFR 3555 (PDF)

Electronic Status Reporting (ESR)

1. ESR Implementation Guide (PDF)
2. Trading Partner Agreement (TPA) (PDF)

Guaranteed Annual Fee Billing and Payment

Documentation & Resources

1. Guaranteed Annual Fee Calculation Methodology (PDF)
2. **Guarantee Fee & Annual Fee Calculator(EXCEL)**
3. Guaranteed Annual Fee Lender User Agreement (PDF)
4. Guaranteed Annual Fee Service Bureau User Agreement (PDF)
5. Guaranteed Annual Fee Implementation Guide (PDF)
6. Guaranteed Annual Fee Getting Started User Guide (PDF)
7. Guaranteed Annual Fee User Guide (PDF)

Guaranteed loans may be subject to an upfront guarantee fee and an annual fee that will apply for the life of the loan. The upfront guarantee fee and annual fee are subject to change each fiscal year. These fees are collected in order to ensure the program remains subsidy neutral. This means that the program does not pay for program losses with tax payer funding, but rather with the fees that are collected at the time of loan origination and each year if an annual fee is due.

The Training and Resource Library includes a Guarantee Fee and Annual Fee Calculator to assist lenders in making the proper calculations.

Online Calculator

Rural Development SFH Guaranteed Mortgage Loan Amortization Schedule

Lender Name: NCUA Member Borrower Name: CU Member

Enter values		(Including upfront Guarantee fee if financed)
Loan amount:	\$ 154,040.40	
Annual interest rate:	4.25 %	
Loan Period in Years:	30	
Number of Payments Per Year:	12	(Must be 12 for FD Loans)
Loan Closing Date:	11/12/2016	(See comment for instructions on this field by mousing over the cell)
Start Date of Loan:	1/1/2017	(See comment for instructions on this field by mousing over the cell)
Upfront Guarantee Fee:	1.00 %	
Annual Fee Rate:	0.35 %	

Loan summary	
Scheduled Monthly Payment:	\$ 757.79
Scheduled Number of Payments:	360
Actual Number of Payments:	360
Upfront Guarantee Fee:	\$ 1,540.40
Total Annual Fee:	\$ 9,780.33
Total interest:	\$ 118,761.01
1st Year Monthly Annual Fee:	\$ 44.58

[Go to Annual Fee Schedule](#)

Pmt. No.	Est. Payment Date	Beginning Balance	Scheduled Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest	Average Annual UPB	Annual Fee (Based on Avg. Annual UPB)	Annual Fee Monthly Amount	Scheduled Payment w/ Annual Fee
1	2/1/2017	\$ 154,040.40	\$ 757.79	\$ 757.79	\$ 212.23	\$ 545.56	\$ 153,828.17	\$ 545.56				
2	3/1/2017	\$ 153,828.17	\$ 757.79	\$ 757.79	\$ 212.98	\$ 544.81	\$ 153,615.19	\$ 1,090.37				
3	4/1/2017	\$ 153,615.19	\$ 757.79	\$ 757.79	\$ 213.74	\$ 544.05	\$ 153,401.45	\$ 1,634.42				
4	5/1/2017	\$ 153,401.45	\$ 757.79	\$ 757.79	\$ 214.49	\$ 543.30	\$ 153,186.96	\$ 2,177.72				
5	6/1/2017	\$ 153,186.96	\$ 757.79	\$ 757.79	\$ 215.25	\$ 542.54	\$ 152,971.71	\$ 2,720.26				
6	7/1/2017	\$ 152,971.71	\$ 757.79	\$ 757.79	\$ 216.02	\$ 541.77	\$ 152,755.69	\$ 3,262.03				
7	8/1/2017	\$ 152,755.69	\$ 757.79	\$ 757.79	\$ 216.78	\$ 541.01	\$ 152,538.91	\$ 3,803.04				
8	9/1/2017	\$ 152,538.91	\$ 757.79	\$ 757.79	\$ 217.55	\$ 540.24	\$ 152,321.36	\$ 4,343.28				
9	10/1/2017	\$ 152,321.36	\$ 757.79	\$ 757.79	\$ 218.32	\$ 539.47	\$ 152,103.04	\$ 4,882.75				
10	11/1/2017	\$ 152,103.04	\$ 757.79	\$ 757.79	\$ 219.09	\$ 538.70	\$ 151,883.95	\$ 5,421.45				
11	12/1/2017	\$ 151,883.95	\$ 757.79	\$ 757.79	\$ 219.87	\$ 537.92	\$ 151,664.08	\$ 5,959.37				
12	1/1/2018	\$ 151,664.08	\$ 757.79	\$ 757.79	\$ 220.65	\$ 537.14	\$ 151,443.43	\$ 6,496.51	\$ 152,859.24	\$ 535.01	\$ 44.58	\$ 802.37

GRH Upfront Fee Calculator Loan Amortization Schedule Annual Fee Schedule Fee Prorating Calculator

This is a screen shot of the calculator.

On the left side of the screen some important information must be entered:

- Loan Amount: this will include the total amount of the loan that is being requested by the lender
- Interest rate
- Loan term must be 30 years
- Number of payments per year will default to 12
- Enter the loan closing date
- Enter the start date of the loan
- Select the applicable upfront guarantee fee from the drop down box. In this example 1% is selected.
- Select the applicable annual fee from the drop down box. In this example .35% is selected.

When all of these data fields are completed, the spreadsheet will apply all data entries.

Online Calculator

Rural Development SFH Guaranteed Mortgage Loan Amortization Schedule

Lender Name: NCUA Member Borrower Name: CU Member

Enter values (Including up front Guarantee fee if financed)

Loan amount: \$ 154,040.40
 Annual interest rate: 4.25 %
 Loan Period in Years: 30
 Number of Payments Per Year: 12 (Must be 12 for FD Loans)
 Loan Closing Date: 11/12/2016 (See comment for instructions on this field by mousing over the cell)
 Start Date of Loan: 1/1/2017 (See comment for instructions on this field by mousing over the cell)
 Upfront Guarantee Fee: 1.00 %
 Annual Fee Rate: 0.35 %

Loan summary

Scheduled Monthly Payment: \$ 757.79
 Scheduled Number of Payments: 360
 Actual Number of Payments: 360
 Upfront Guarantee Fee: \$ 1,540.40
 Total Annual Fee: \$ 9,780.33
 Total Interest: \$ 118,761.01
 1st Year Monthly Annual Fee: \$ 44.58

[Go to Annual Fee Schedule](#)

Pmt. No.	Est. Payment Date	Beginning Balance	Scheduled Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest	Average Annual UPB	Annual Fee (Based on Avg. Annual UPB)	Annual Fee Monthly Amount	Scheduled Payment w/ Annual Fee
1	2/1/2017	\$ 154,040.40	\$ 757.79	\$ 757.79	\$ 212.23	\$ 545.56	\$ 153,828.17	\$ 545.56				
2	3/1/2017	\$ 153,828.17	\$ 757.79	\$ 757.79	\$ 212.98	\$ 544.81	\$ 153,615.19	\$ 1,090.37				
3	4/1/2017	\$ 153,615.19	\$ 757.79	\$ 757.79	\$ 213.74	\$ 544.05	\$ 153,401.45	\$ 1,634.42				
4	5/1/2017	\$ 153,401.45	\$ 757.79	\$ 757.79	\$ 214.49	\$ 543.30	\$ 153,186.96	\$ 2,177.72				
5	6/1/2017	\$ 153,186.96	\$ 757.79	\$ 757.79	\$ 215.25	\$ 542.54	\$ 152,971.71	\$ 2,720.26				
6	7/1/2017	\$ 152,971.71	\$ 757.79	\$ 757.79	\$ 216.02	\$ 541.77	\$ 152,755.69	\$ 3,262.03				
7	8/1/2017	\$ 152,755.69	\$ 757.79	\$ 757.79	\$ 216.78	\$ 541.01	\$ 152,538.91	\$ 3,803.04				
8	9/1/2017	\$ 152,538.91	\$ 757.79	\$ 757.79	\$ 217.55	\$ 540.24	\$ 152,321.36	\$ 4,343.28				
9	10/1/2017	\$ 152,321.36	\$ 757.79	\$ 757.79	\$ 218.32	\$ 539.47	\$ 152,103.04	\$ 4,882.75				
10	11/1/2017	\$ 152,103.04	\$ 757.79	\$ 757.79	\$ 219.09	\$ 538.70	\$ 151,883.95	\$ 5,421.45				
11	12/1/2017	\$ 151,883.95	\$ 757.79	\$ 757.79	\$ 219.87	\$ 537.92	\$ 151,664.08	\$ 5,959.37				
12	1/1/2018	\$ 151,664.08	\$ 757.79	\$ 757.79	\$ 220.65	\$ 537.14	\$ 151,443.43	\$ 6,496.51	\$ 152,859.24	\$ 535.01	\$ 44.58	\$ 802.37

GRH Upfront Fee Calculator Loan Amortization Schedule Annual Fee Schedule Fee Prorating Calculator

On the right side of the spreadsheet the following will display:

- Scheduled monthly payment (Principal, interest, and annual fee. Notice that real estate taxes, homeowners insurance, and homeowners association fees/maintenance fees are not reflected.)
- The Scheduled Number of Payments and Actual Number of Payments will default to 360.
- The applicable upfront guarantee fee will display.
- The total annual fee will also display. This figure is representative of the entire 30 years of repayment of the loan. If the loan is paid in full early, refinanced, or sold, then the entire annual fee will not be collected.
- The 1st year Monthly Annual Fee will also display. This monthly portion should be collected by the lender from the borrower in order to have the funds available to pay USDA when the annual fee bill is remitted to the servicing lender.

USDA United States Department of Agriculture
Rural Development

Online Calculator

Rural Development SFH Guaranteed Mortgage Loan Amortization Schedule

Lender Name: NCUA Member Borrower Name: CU Member

Enter values		
Loan amount:	\$ 154,040.40	(Including upfront Guarantee fee if financed)
Annual interest rate:	4.25 %	
Loan Period in Years:	30	
Number of Payments Per Year:	12	(Must be 12 for FD Loans)
Loan Closing Date:	11/12/2016	(See comment for instructions on this field by mousing over the cell)
Start Date of Loan:	1/1/2017	(See comment for instructions on this field by mousing over the cell)
Upfront Guarantee Fee:	1.00 %	
Annual Fee Rate:	0.35 %	

Loan summary	
Scheduled Monthly Payment:	\$ 757.79
Scheduled Number of Payments:	360
Actual Number of Payments:	360
Upfront Guarantee Fee:	\$ 1,540.40
Total Annual Fee:	\$ 9,780.33
Total interest:	\$ 118,761.01
1st Year Monthly Annual Fee:	\$ 44.58

[Go to Annual Fee Schedule](#)

Pmt. No.	Est. Payment Date	Beginning Balance	Scheduled Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest	Average Annual UPB	Annual Fee (Based on Avg. Annual UPB)	Annual Fee Monthly Amount	Scheduled Payment w/ Annual Fee
1	2/1/2017	\$ 154,040.40	\$ 757.79	\$ 757.79	\$ 212.23	\$ 545.56	\$ 153,828.17	\$ 545.56				
2	3/1/2017	\$ 153,828.17	\$ 757.79	\$ 757.79	\$ 212.98	\$ 544.81	\$ 153,615.19	\$ 1,090.37				
3	4/1/2017	\$ 153,615.19	\$ 757.79	\$ 757.79	\$ 213.74	\$ 544.05	\$ 153,401.45	\$ 1,634.42				
4	5/1/2017	\$ 153,401.45	\$ 757.79	\$ 757.79	\$ 214.49	\$ 543.30	\$ 153,186.96	\$ 2,177.72				
5	6/1/2017	\$ 153,186.96	\$ 757.79	\$ 757.79	\$ 215.25	\$ 542.54	\$ 152,971.71	\$ 2,720.26				
6	7/1/2017	\$ 152,971.71	\$ 757.79	\$ 757.79	\$ 216.02	\$ 541.77	\$ 152,755.69	\$ 3,262.03				
7	8/1/2017	\$ 152,755.69	\$ 757.79	\$ 757.79	\$ 216.78	\$ 541.01	\$ 152,538.91	\$ 3,803.04				
8	9/1/2017	\$ 152,538.91	\$ 757.79	\$ 757.79	\$ 217.55	\$ 540.24	\$ 152,321.36	\$ 4,343.28				
9	10/1/2017	\$ 152,321.36	\$ 757.79	\$ 757.79	\$ 218.32	\$ 539.47	\$ 152,103.04	\$ 4,882.75				
10	11/1/2017	\$ 152,103.04	\$ 757.79	\$ 757.79	\$ 219.09	\$ 538.70	\$ 151,883.95	\$ 5,421.45				
11	12/1/2017	\$ 151,883.95	\$ 757.79	\$ 757.79	\$ 219.87	\$ 537.92	\$ 151,664.08	\$ 5,959.37				
12	1/1/2018	\$ 151,664.08	\$ 757.79	\$ 757.79	\$ 220.65	\$ 537.14	\$ 151,443.43	\$ 6,496.51	\$ 157,859.24	\$ 535.01	\$ 44.58	\$ 802.37

GRH Upfront Fee Calculator Loan Amortization Schedule Annual Fee Schedule Fee Prorating Calculator

At the bottom of the spreadsheet there are other options available: The GRH Upfront Calculator (which is the page shown), Loan Amortization Schedule, Annual Fee Schedule, and Fee Prorating Calculator (this is utilized when a loan is refinance or the property is sold).

USDA United States Department of Agriculture
Rural Development

Online Calculator

SFH Guaranteed Annual Fee Schedule

Lender Name:

Borrower Name:

Loan Amount:	\$ 154,040.40
Interest Rate:	4.25%
Loan Term (Years):	30
Loan Term (Months):	360
Upfront Guarantee Fee:	\$ 1,540.40
Total Annual Fee:	\$ 9,780.33

[Back to Loan Amortization Schedule](#)

Year of Loan	Borrower Monthly Pmt. No.	Annual Fee Payment Date	Average Annual UPB	Annual Fee (Based on Avg. Annual UPB)	Annual Fee Monthly Amount	Scheduled Payment w/ Annual Fee
1	12	1/1/2018	\$ 152,699.24	\$ 535.01	\$ 44.58	\$ 602.37
2	24	1/1/2019	\$ 150,211.08	\$ 525.74	\$ 43.81	\$ 601.60
3	36	1/1/2020	\$ 147,448.16	\$ 516.07	\$ 43.01	\$ 600.80
4	48	1/1/2021	\$ 144,565.90	\$ 505.98	\$ 42.17	\$ 799.96
5	60	1/1/2022	\$ 141,557.93	\$ 495.45	\$ 41.29	\$ 799.08
6	72	1/1/2023	\$ 138,420.01	\$ 484.47	\$ 40.37	\$ 798.16
7	84	1/1/2024	\$ 135,146.10	\$ 473.01	\$ 39.42	\$ 797.21
8	96	1/1/2025	\$ 131,730.31	\$ 461.06	\$ 38.42	\$ 796.21
9	108	1/1/2026	\$ 128,166.48	\$ 448.58	\$ 37.38	\$ 795.17
10	120	1/1/2027	\$ 124,448.20	\$ 435.57	\$ 36.30	\$ 794.09
11	132	1/1/2028	\$ 120,568.77	\$ 421.99	\$ 35.17	\$ 792.96
12	144	1/1/2029	\$ 116,521.20	\$ 407.82	\$ 33.99	\$ 791.78
13	156	1/1/2030	\$ 112,298.24	\$ 393.04	\$ 32.75	\$ 790.54
14	168	1/1/2031	\$ 107,892.28	\$ 377.62	\$ 31.47	\$ 789.26
15	180	1/1/2032	\$ 103,295.35	\$ 361.53	\$ 30.13	\$ 787.92
16	192	1/1/2033	\$ 98,499.73	\$ 344.76	\$ 28.73	\$ 786.43

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This is the Annual Fee Schedule. Lenders can review how much each annual fee payment will be.

Online: USDA LINC
<https://usdalinc.sc.egov.usda.gov/USDALincTrainingResourceLib.do>

The screenshot shows the USDA LINC Training & Resource Library website. The header includes the USDA logo and 'Rural Development'. The main content area is titled 'USDA LINC Training & Resource Library' and contains a sidebar with categories like 'All Programs', 'For Businesses', 'For Communities & Nonprofits', 'For Cooperatives', 'For Individuals', 'For Lenders', 'Multi-Family Housing Loan Guarantees', 'Community Facilities', 'Guaranteed Loan Program', 'LINC Training & Resource Library', 'Services', and 'For Developers'. The main content area lists various resources including '7 CFR 3555', 'Training', 'Documentation and Resources', 'Electronic Status Reporting (ESR)', 'Guaranteed Annual Fee Billing and Payment', and 'Guaranteed Underwriting Service (GUS)'. A page number '52' is visible in the bottom right corner.

USDA LINC is an online data base that houses the Training and Resource Library. By accessing this site you can view recorded training sessions, review helpful documentation and resources, and also locate forms required to help sign up and maintain your participation in the Guaranteed Underwriting System...just to name a few things!



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Online: USDA LINC Training and Resource Library

Training and Documentation/Resources

- 7 CFR 3555
- Electronic Status Reporting (ESR)
- Guaranteed Underwriting System (GUS)
- Lender Loan Closing/Administration
- Loss Claim Administration/Servicing
- Loan Origination
- Loss Mitigation
- Property Disposition
- Security

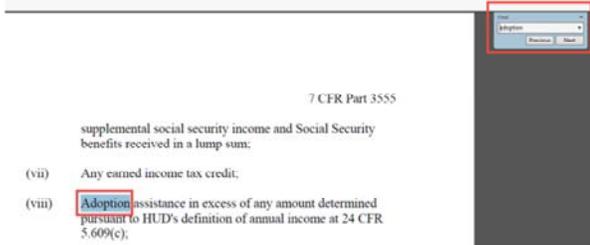
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The Training and Resource Library includes information on all of these topics.

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TIPS

- Underwriter = USDA Approved Lender
- USDA = not an underwriter
- Research Rule & HB questions: Table of Contents
- Research Rule & HB questions: Control + F



7 CFR Part 3555

supplemental social security income and Social Security benefits received in a lump sum:

- (vii) Any earned income tax credit;
- (viii) **Adoption** assistance in excess of any amount determined pursuant to HUD's definition of annual income at 24 CFR 5.609(c).

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A few helpful tips:

1. The underwriter of the loan is the approved lender's underwriter.
2. USDA is NOT the underwriter of the loan.
3. When researching topics, it is helpful to begin with the Table of Contents for the regulation and the handbook.
4. A great best practice when searching for information is to open the regulation or a handbook chapter, select the "Control" button on the keyboard, hold it down, and then also select the "F" key. A keyword search box will appear. Enter a keyword or phrase to locate information more quickly.



**7 CFR PART 3555 / HB-1-3555
LEARNING CHECKS**

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The best way to learn information is to test your knowledge!



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Question Slide

“Topic”

- Question will be bulleted with scenario, or
- Include a statement/question

TRUE/FALSE or other answer options will be displayed

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Each question slide will list:

- the topic
- A question or scenario, and
- potential responses.



ANSWER SLIDE

“Topic”
ANSWER: 7 CFR Part 3555 and HB-1-3555 references provided

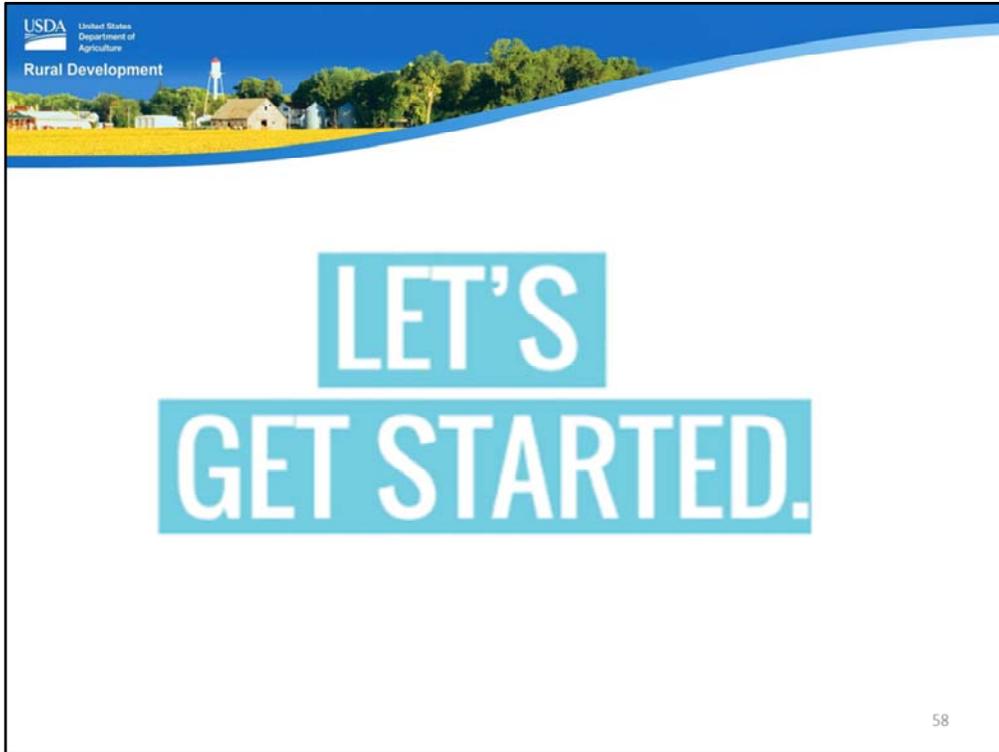
X. Correct Response

- Additional guidance for clarification may be provided

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The answer slide will list:

- The topic
- The reference to the answer from the regulation and handbook
- The correct response, and
- Any additional clarification that may be helpful.



Let's get started!



Overview

The Single Family Housing Guaranteed Loan Program is delivered under which regulation:

- A. RD Instruction 1980-D
- B. 7 CFR Part 3555

59

Read the question on the slide and select a response.



Overview

ANSWER: 3555.1 and HB Appendix 1

B. 7 CFR Part 3555

- The regulation is the rule for program delivery
- Loan decisions (approval or denial) must be supported by the regulation

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Response B

The 7 CFR Part 3555 is the regulation and rule for guaranteed loan program delivery. All loan decisions, whether they are approval or denials must be supported by the regulation.



Overview

- Bixby Bank wishes to become an approved lender with USDA
- Approved lender requirements are located in which subpart of the 7 CFR Part 3555

- A. Subpart B: Lender Participation
- B. Subpart D: Underwriting the Applicant

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Read the question on the slide and select a response.



Overview

ANSWER: 3555.51 and HB Chapter 3

A. Subpart B: Lender Participation

- 3555.51 – 3555.54
- HB Chapter 3: Lender Approval
- Attachment 3-A Lender Approval Checklist

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Response A

Subpart B includes all of the information lenders would need to access when they wish to become an approved lender.

The technical handbook also supports the requirements of the regulation in Handbook Chapter 3.

Attachment 3-A is the Lender Approval Checklist and it will assist lenders to submit a complete loan application package to USDA for approval.



Overview

Lender has a question regarding debt ratios. Where should they refer for guidance?

- A. 3555.151 “Eligibility requirements” and HB 11 “Ratio Analysis”
- B. 3555.103 “Maximum loan amount” and HB 8 “Applicant Characteristics”

63

Read the question on the slide and select a response.



Overview

ANSWER: 3555.51(h) and HB 11.2

A. 3555.151 and HB Chapter 11

- Review regulation first
- Refer to HB for additional clarification

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Response A: 3555.151 and HB Chapter 11

3555.151 is titled “Eligibility Requirements” and HB Chapter 11 is Ratio Analysis. The regulation and handbook are user friendly. There is also a Table of Contents for both resources to further assist lenders to find their guidance more efficiently.

Please refer to the regulation first for questions. Then the technical handbook will assist lenders to find clarification on topics.



Overview

Lender has questions regarding appraisals. Where can they refer for guidance?

- A. 3555.102 “Loan restrictions” and HB 4 “Lender Responsibilities”
- B. 3555.107 “Application for and issuance of the guarantee” and HB 12 “Property and Appraisal Requirements”

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Read the question on the slide and select a response.



Overview

ANSWER: 3555.107(d) and HB 12.5

B. 3555.107 and HB 12

- 3555.107(d): Appraisals
- HB 12.5: Residential appraisal reports

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Response B

3555.107(d) addresses Appraisals.

HB Chapter 12 is all about property requirements. The Table of Contents will reveal that section 12.5 is Residential appraisal reports.



Way to go! You have completed the learning checks!



Review

- Look first: 7 CFR Part 3555
- Look second: HB-1-3555
- Regulation and HB are user friendly
- Table of contents & “Control + F” are your friends
- Utilize online resources: Training and Documentation
- Sign up for GovDelivery messages

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Reminders:

- Where do we look first? 7 CFR Part 3555
- Where do we look for additional guidance if we have more questions or may be in need of more specifics? HB-1-3555.
- The regulation and technical handbook are very user friendly.
- The Table of Contents and “Control + F” are your friends. This functionality can search hundreds of pages of documents to find keywords and assistance more quickly.
- Be sure to take full advantage of online resources, including the Training and Resource Library on USDA LINC.
- Sign up for GovDelivery messages to stay abreast of program announcements.

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Regulations

<http://www.rd.usda.gov/publications/regulations-guidelines>

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Regulations & Guidelines

All Federal regulations can be found at Regulations.gov and customers can search, review and submit comments on Federal documents that are open for comment and published in the Federal Register.

As a service to our customers, we post Rural Development's instructions, Administrative Notices, and forms. The instructions are available in three file formats: Adobe Acrobat (PDF), Microsoft Word 6.0 (doc) and Text (txt). To the extent possible, all documents have been made available in either Adobe Acrobat Ver 5.0 and higher, or Text and are 508 compliant. If you should have accessibility issues and need a hard copy, please send an e-mail to comments@wdc.usda.gov.

If you are having problems with this page, need a hard copy of any of the documents due to accessibility issues or would like to be added to the Regulations Update distribution list (available for Rural Development employees only with a valid Rural Development e-mail address), please e-mail comments@wdc.usda.gov.

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- Administrative Notices
- Instructions
- Forms
- Spanish Forms, Form Letters and Guide Letters
- Handbooks
- Procedures Notices
- Significant Guidance Documents
- Unnumbered Letters
- Federal Register Publications

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Don't forget the Regulations and Guidelines website is a wonderful source of USDA guideline knowledge.

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Thank you for supporting the USDA Single Family Housing Guaranteed Loan Program!



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Thank you for supporting the USDA Single Family Housing Guaranteed Loan Program! We appreciate the opportunity to help you serve more rural homebuyers!

 United States Department of Agriculture
Rural Development



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This will conclude the training module. Thank you and have a great day!