

Loan Packaging Express

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Building Strong Partnerships



Ms. Sisco has been proudly providing Technical Assistance to Mutual Self-Help Housing Program grantees throughout the Rural Community Assistance Corporation's (RCAC) 13 state service area for more than 18 years. She currently works with grantees in Idaho, Alaska, Utah, and Colorado

providing training on USDA rules and regulations, staff requirements/responsibilities, and the overall program

administration of Mutual Self-Help Housing 523 Technical Assistance programs. As a USDA – Rural Development Section 502 Certified Loan Application Packaging course instructor since 2010, Ms. Sisco has presented the three-day course to more than 300 loan application packagers throughout the country and also presents local, regional and one-on-one Self Help grantee Section 502 trainings in the west. Working with Self Help grantees to package 502 loans and training the packaging course has been a natural fit and Angela's passion for the 502 program shows.

Angela Sisco

Rural Housing Specialist
RCAC, Idaho



The USDA Rural Development “Direct Loan Application Packagers” website: <https://www.rd.usda.gov/direct-loan-application-packagers> provides information related to upcoming certified loan packager trainings, USDA program trainings, access to an intermediary coverage map, and other valuable resources. Be sure to bookmark and visit the site often to check for updates!

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No More Revolving Door

Methow Housing Trust was developed in the beautiful Methow Valley in Okanogan County, Washington to help close the gap between increasing real estate values and stagnant wages that keep many valley residents from homeownership. After the devastating fires of 2014-2015, the valley experienced an economic regrowth that left many low-income residents without affordable housing.

Because of the submission of loan application packages from Erika Krumpelman, Stewardship Director with Methow Housing Trust, four new Rural Development borrowers realized their dream of homeownership and moved into their new homes in May. The modest homes between 900-1000 Sq. Ft. with a sale price of \$140,000 are in the communities of Twisp and Winthrop. If it weren't for USDA financing and Methow Housing Trust, the homeowners would never be able to realize the dream of homeownership and may have had to find work and affordable housing elsewhere.

Maureen Collins, a client advocate for a social service center located in the rural Methow Valley, struggled to find affordable housing because many properties are vacation homes and rentals are sold almost as soon as they move in, leaving renters nowhere to go. Maureen spent two years house sitting while she searched for other housing. "I was on my third move in 9 months," she said. She was all



smiles when she entered through the door to her own home knowing that she wouldn't have to move again anytime soon and can stay in the Methow Valley where she is deeply involved in the community she loves.

Susie Varela

Housing Specialist
Rural Development

Mahalo Nui Loa

I met Mr. and Mrs. Mull in 2018, when they became clients through our homeownership program at the Housing Assistance Corporation. They walked through our doors as clients, however when they left, I had lifelong friends.

Donald works for a local company, Falcon Farms. He has worked very hard over the years to be the sole provider of their house to allow April to stay home with their 2 boys whom have special needs. I will personally say without a doubt they are wonderful parents and are thrilled to find their forever home for themselves as well as their children. Carson is 15 years old with Autism and Marfan Syndrome, he could not wait to move in and have his very own pet chickens to comfort him. Avery is 12, he has Autism and Juvenile RA and he could not wait to have his own yard so that he could play outside more. When April has a free moment in between meeting the needs of her own children she makes weighted blankets to help other children with Autism and Sensory Processing needs.

As occasional issues tend to arise in the homeownership process, an extension was requested, and at first the seller, whom lives in Hawaii, was a little uneasy and was not favorable of extending. As I have developed a relationship with the Mulls, I shared some information through the proper channels, allowing others involved in the process

to have a better understanding of what affordable housing means to our communities, along with adding a personal touch to what most sellers see as just a contract.

As it turns out, the seller was more than impressed with the family and was able to relate to parts of their personal story. Before retirement, the seller held offices as County Council, County Mayor and as a State Representative. His occupations over the years have included: Author, Commercial General Contractor, Air Force, Police Officer, USAF Aircraft Mechanic and Business Owner.

The seller quickly connected with Heather Boyd at Housing Assistance Corporation and was determined to become more involved. He made a special trip to the mainland to attend the closing, including a special trip to Housing Assistance Corporation the day before to discuss how he could help more families in the future.

In the words of the seller, "Mahalo Nui Loa" (thank you very much) to the benefits of the USDA 502 direct loan program which allows for key individuals of our communities to be able to obtain safe and affordable housing.

Heather Boyd

Housing Counselor
Housing Assistance Corporation

A Packaging Retrospective and Look Forward

For over a decade, I have been involved in Rural Development's concerted efforts, along with our partners, to expand and improve packaging partnerships and activities. My involvement has been both behind and in front of the scenes. My name appears on the certified loan application packaging process's [proposed rule \(published August 23, 2013\)](#) and [final rule \(published April 29, 2015\)](#); and I have been involved in countless calls, meetings, tours, and other events with our packaging partners.

When I get retrospective, I think about how far the Agency and our packaging partners have come in strengthening our alliances and processes to help very low- and low-income, rural residents obtain affordable homeownership. Consider these historical tidbits from the Agency perspective:

- In the 1980s, the Agency did not allow packaging fees. No. Packaging Fees. Period.
- In the 1990s, the zero tolerance on the packaging fee was lifted and packaging fees charged by tax exempt nonprofits were made an allowable loan purpose.
- For years and years, the maximum packaging fee was statically at up to \$500. In May 2011, Handbook-1-3550 was revised to remove a tie between the packaging fee and an Agency instruction. With the change and multiple times thereafter, the allowable packaging fee has been increased to reflect the prevailing cost of providing this valuable service (e.g. currently up to \$1,750 is permissible for a certified packaging body with an intermediary).
- The dramatic increase in Section 502 direct funding received under the American Recovery and Reinvestment Act 2009/2010 was a catalyst in piloting a packaging

process with intermediaries beginning in fiscal year 2010. The pilot was instructional in the development of the above-mentioned rules and our certified packaging regulation ([7 CFR 3550.75 – effective May 19, 2016](#)).

- Following the implementation of the certified packaging regulation, the Agency improved its system tracking of packaging activities and we can see a general upward trend in packaging activities.

While I could continue to share interesting historical tidbits, I'm more excited about future opportunities (e.g. increasing the number of intermediaries, having at least one intermediary in every state/territory, increasing the number of certified packaging bodies, increasing our obligations resulting from packaged loan applications, enhancing the delivery of the packaging training, increasing the packaging fee for approved non-certified packagers through the rulemaking process (see the [proposed rule published on November 25, 2019](#)), and having an origination system that better interacts with applicants, packagers, and intermediaries).

As I finish my retrospection and look forward, I'm reminded of a Henry Ford quote: *Coming together is a beginning; keeping together is progress; working together is success.* We came together to expand and improve packaging partnerships and activities; let's continue to keep and work together to realize successes like the [Kennedy family](#), the [Thompson family](#), the [Beasley family](#), and the [Haar family](#).

Brooke Baumann

Acting Director

USDA, Single Family Housing Direct Loan Division



Are you a nonprofit or State Housing Finance Agency considering becoming an intermediary? We are looking for additional intermediaries, especially in the West, Midwest, Northeast, and states/territories with no intermediary present (Connecticut, Maine, Massachusetts, New Jersey, Rhode Island, and the Virgin Islands). If you have 5 or more years of experience with the 502 Direct program, and are interested in providing quality assurance reviews for packagers, check out the webinar "How to Become an Intermediary" on the [Direct Loan Application Packagers website](#).

Big Goals Make Dreams Come True

I'm Haley Robinson: a single mom of four kiddos. Since they were tiny, they have always wanted a house like their friends' and like grandma's. It has always been a big thing on their minds.

After my divorce, I was searching for a place I could afford and that was available immediately. I found this perfect little rental townhome in quaint Heber, Utah - a small town I absolutely fell in love with. The community immediately took me in and has watched over my kids and me. As much as I have loved Heber, my little neighborhood of low-income renters has had a lot of transient and illegal activity. I worried for the safety of my kids and I could not wait to move into a better neighborhood.

At the time that my divorce was finalized, my kids had just turned 5, 4, 3 and 2 years old. Trying to manage being a single mom, with not much help at the time, I was cleaning office buildings at night while they slept or at times, I had to bring them with me. I also did construction cleanup which too, at times, my kids would be dropped off and they'd have to stay with me cleaning until 1:00 a.m. We struggled just to feed ourselves. We all struggled from broken hearts. Everything in me fought for air just to show my kids that we could survive. We could do hard things and that in the end we could make dreams come true.

Our big goal together was to get a house. So immediately, I worked on my credit since it was at a zero. However, there was not much else I could do to help my income with four kids at home. I finally found a job as a mail carrier and they totally worked out a schedule for me. Angels seriously. I then heard about the Self Help Homes program that one of my friends was doing. They were building homes right next to the school where I took my kids. I researched and found out what was required to qualify. The kids and I printed out pictures of a house plan and hung it up for a visual of our goal.

Every time they would have fits about waking up so early because I had to get to work, we would talk about the

house. For 2 years, we had that picture up in our house. Then the big day came! My youngest child was old enough for kindergarten and that same year the district made kindergarten full day standard! I would finally be able to have time, while they were in school, to build them a house.

I cannot even describe to you the feeling I had when I signed those papers. And, even now after working on seven other homes, dragging my heavy snow boots, gripping a snow shovel with wet frozen hands just to clear the snow enough to find the boards, and then cleaning them off so we could build, we were finally onto my house. It is so worth it. I am so grateful. I am learning so much and my walls are all up! The trusses go on in two days.

Thank you. Thank you to all of you wonderful people that have donated to Self-Help Homes. They packaged my loan application to Rural Development and are helping me build our home. They have paved a way to help my family and me.

Thank you for giving us the opportunity of a better life. For seeing me more than just the girl that takes out the garbage. That you believe I deserve a helping hand. Thank you. You have made our dreams come true. I hope to be able to do the same for someone else someday.

Helen Kibby

Loan Closing Specialist
Rural Community Assistance Corporation (RCAC)



We would appreciate hearing from you. If you have a success story which highlights the benefits of packaging for the 502 or 504 programs, please contact Tammy.Repine@usda.gov.

Contact Us

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For coverage and contact information, please visit the [Single Family Housing Intermediary Map](#).