



Single Family Housing Guaranteed Loan Program

August 13, 2013

Processing

Loan Processing Unavailable September 10 - 11

USDA Rural Development's Guaranteed Rural Housing Program staff in Iowa will be in training Tuesday and Wednesday, September 10 - 11 and unable to process loan applications. Staff will do their best to keep turn-around times to 24 to 48 hours immediately following these dates. However, there may be temporary delays as staff catches up on loan applications.

12-Month Verification of Rent Needed for Credit Scores Below 680

Applicants with credit scores below 680 that currently pay rent/housing expenses must have a 12-month history verification. Written verification of rent (VOR) must include creditor name, date the rental agreement or contract began, monthly payment due, and payment history reported in 0 x 30, 0 x 60, 0 x 90 day format.

Statements such as "satisfactory" or "acceptable" are not acceptable. Rent or mortgage payment history reported on the credit report for present expenses are acceptable.

Lenders may collect canceled checks or money order receipts to verify rent payments. A written VOR from a relative is not acceptable and the lender must obtain canceled checks or money orders.

Final GUS Submission Accuracy

To avoid delays in receiving a Conditional Commitment please confirm information entered into USDA's Guaranteed Underwriting System (GUS) is accurate prior to selecting "final submit."

Please confirm the Third Party Origination Tax ID is entered accurately.

Releasing GUS back to the lender for corrections further delays the issuance of a Conditional Commitment and Loan Note Guarantee.

Rush Requests Can Actually Cause Closing Delays

In most instances, USDA Rural Development in Iowa continues to turn loans around within 24 hours. However, due to the volume of loans we are receiving, lenders should submit the required loan package at least two days prior to scheduling their loan closing.

There has been an increase in application packages being submitted the same day of the loan closing.

Requests for clarifications and/or additional documentation delay the closing and are frustrating to buyers, sellers and anyone involved in the transaction.

Closing

Automated Lender Loan Closing System Now Available

An automated lender loan closing system is now available for lenders to electronically submit loan closing transactions/packages to USDA Rural Development. Lender benefits include:

- Electronic submission of the information previously collected on Form RD 1980-19, "Loan Closing Report"
- Electronic submission of the upfront Guarantee Fee to the Agency via a Pay.Gov interface
- Electronic upload of loan closing documentation (e.g. Promissory Note, HUD-1, etc.)
- Ability for lender to view, download, print, and/or save the Loan Note Guarantee once issued by USDA Rural Development.

Lenders must complete a [lender loan closing user agreement](#) to request access. Agreements can be found in the lender loan closing/administration section.

Loan closing guides and various quick-step documents are also available at the above link.

Lender loan closing users must obtain a [Level 2 e-Authentication account](#) to access the system

Once a user has activated a Level 2 e-Authentication account, their organization's lender loan closing security administrator can assign them access to the system.

Access to the lender loan closing system could take a few months due to the volume of lenders requiring activation. User agreements will be processed by date of receipt.

Fax Number Change

USDA Rural Development's fax number in Iowa has changed to **855-251-2243**.

The preferred method of submission continues to be via email to rd-grhia@ia.usda.gov.

Sign Up for ListServ

ListServ is a **FREE** email service that delivers instant program updates for Guaranteed Loan Origination, Guaranteed Underwriting System (GUS) and Guaranteed Loan Servicing.

[Sign up](#) by checking the updates you wish to receive.

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