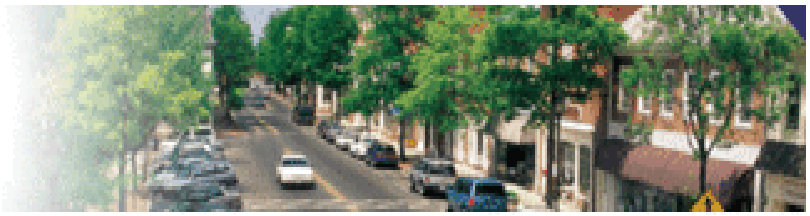
United States Department of Agriculture
Rural Development



April 28, 2016

Illinois GRH Update

TURN TIMES

We are currently processing complete applications received April 25, 2016. Current turn times can be found on our website!

HANDBOOK 3555

The handbook can be accessed on the RD Handbooks website.

ON-DEMAND TRAININGS

On-demand trainings are available on the new regulation.

Origination

Servicing

QUESTIONS?

Toll Free

866-481-9575

Email

Champaign-GRH@il.usda.gov

Help Us, Help You!

In celebrating Home Ownership Month's 2016 Theme, "Building Communities Together", we are looking to recognize both lenders and applicants purchasing new construction homes through the Guaranteed Rural Housing program. A "new" dwelling is considered to be a home less than 1 year old and has never been occupied. Please contact 1-866-481-9575 if you would like to be highlighted in June as part of Home Ownership Month.

GRH offers two ways to finance new construction with a Guaranteed Rural Housing loan.

- ⇒ New Dwellings (HB 3555 Chapter 12.9 B)
- ⇒ Combination Construction Permanent "Single-Close Loan" (12.13)

TRIVIA TIME: When was the guaranteed rural housing program born?

GUS Downgrading (HB Chapter 10.7 B)

A GUS "Accept" may need to be manually downgraded to a "Refer" and manually underwritten if the following apply per HB 3555 Chapter 10:

- ⇒ Unable to validate a credit score (10.5)
- ⇒ Disputed account(s) (that do not meet 10.11)
- ⇒ Authorized user account(s) (that do not meet 10.12)
- ⇒ Manually input liabilities
- ⇒ Potential derogatory or contradictory information

"Open" Authorized User Accounts

Closed authorized user (AU) tradelines require no consideration. If coded as "terminated" on the credit report it is equal to a closed trade line.

Manually Underwritten Loans: Insure an open authorized user tradeline(s) is an accurate reflection of the applicant's independent approach to credit repayment and credit history.

GUS "Accept" Loans: In the event one of the following conditions cannot be met, a GUS "Accept" recommendation would need to be manually downgraded to a "Refer":

- The AU tradeline is owned by another applicant on the mortgage loan application.
- The owner of the AU tradeline is the spouse of the applicant (not ex-spouse).
- The applicant has made payments on the AU account for the previous 12 months prior to loan application.
- Credit score can be validated by two tradelines listed on the credit report, which are not authorized user accounts, with at least 12 months of payment history.

Answer: Born in 1991..GRH IS CELEBRATING 25 YEARS!!

EQUAL HOUSING OPPORTUNITY

USDA is an equal opportunity provider, employer and lender.