

Welcome to GUS Overview, presented by USDA's Single Family Housing Guaranteed Loan Program!



The objectives of the training include a review of:

- How GUS works,
- Online resources,
- GUS Welcome Page,
- GUS Loan Application Menu, and
- Security Administrator guidance.



GUS, the Guaranteed Underwriting System is:

- Property of the USDA Single Family Housing Guaranteed Loan Program. Only guaranteed loans may be assessed through this tool.
- An automated underwriting system (AUS).
- GUS utilizes a modified TOTAL scorecard and a GUS Rules Engine determined by USDA to render underwriting recommendations.



GUS is a TOOL!

GUS does not replace the judgment of an experienced underwriter.



GUS utilizes a modified TOTAL scorecard and a GUS rules engine.

The scorecard is programed with specific "cut points."

Loan data entered into GUS is assessed through the scorecard and rules engine. GUS will compare the loan's score to the thresholds or "cut points" for each underwriting recommendation.

Then GUS will render the applicable recommendation.

GUS Underwriting Rec	commendation
Credit, Capacity, Collateral	
Accept	NOT a loan approvalAcceptable credit risk
Refer	Human review requiredRisk layers identified
Refer with Caution	Human review requiredMultiple risk layers identified
neligible	 Does not meet regulations Cannot be submitted to USDA

The GUS Underwriting Recommendation is delivered in two parts. The first portion specifically addresses credit, capacity, and collateral. Potential determinations are:

- Accept: Remember: GUS IS NOT A LOAN APPROVAL MACHINE. An Accept recommendation indicates that GUS has assessed the loan as an acceptable credit risk.
- Refer: GUS has identified risk layers within the loan file, therefore human review is required for a more thorough underwrite of the file.
- Refer with Caution: GUS has identified multiple layers of risk, and human review is most definitely required.
- Ineligible: The loan does not meet regulations. For example, the debt to income ratios are too high to qualify for a ratio waiver request. The loan file cannot be submitted to USDA for review.

Acceluse Irral Development	
GUS Underwriting Reco Property, Income, and Applicant	mmendation
Eligible	Meets regulatory requirements
Ineligible	One or more regulatory requirements is not met
Unable to Determine	Property cannot be locatedSystem may be unavailable
Verify all data to support recommend	dation
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The second part of the underwriting recommendation is specifically for property, income, and applicant eligibility. Potential results include:

- Eligible: Regulatory requirements are met.
- Ineligible: The property may be located in an ineligible area, the applicant may be over the adjusted annual income limit, or the applicant may have characteristics that render them ineligible.
- Unable to Determine: The property cannot be located with the online mapping system. Users should contact USDA for assistance.



Once an underwriting recommendation has been rendered, users must remember the GOLDEN RULE!

The recommendation is only valid if the data entered to support it is accurate and supported.

If you put correct data into GUS, it will render an underwriting recommendation that can typically be supported.



If GUS is loaded with incorrect and/or unsupported data, then the underwriting recommendation will not be valid.



You plus GUS equals



...A ROADMAP TO SUCCESS!

GUS provides an underwriting recommendation to assist the approved lender to determine their final loan approval decision.

Then GUS provides a "road map" to assist the lender in identifying risk, ensuring data entry is accurate, and outlines the steps the lender must take at the time of loan origination, request of the Conditional Commitment, loan closing, and the request for the Loan Note Guarantee.



There are a few things that GUS cannot do. In addition to not replacing human loan approval, GUS also does not:

- Detect inaccurate calculations or data entry errors. If a lender enters repayment income of \$3,500 per month, GUS assumes this is an accurate data entry with a stable history of receipt to support the lender's confidence in entering this figure.
- GUS does not assess job time. GUS does not make a determination if secondary jobs have a stable history. GUS does not determine if commission, bonus, or overtime income has been earned long enough to be considered stable and dependable income. GUS cannot detect if the user has entered the wrong appraised value into the system, etc. The data entered into GUS must already meet these determinations before the user enters the information into the system.
- GUS will utilize the eligible credit score in the overall underwriting recommendation assessment, but GUS cannot "read" the credit report. The user must ensure that all open liabilities are included on the appropriate application page.



Before a lender may access GUS they must:

- Be a USDA approved lender that has applied for and received GUS approval, or
- Be a Lender Agent. This is a lender who works with a USDA approved lender with GUS approval as a correspondent lender, broker, third party originator, etc. The USDA approved lender is responsible for all actions taken by agents using GUS on their behalf. The approved lender must also underwrite the loan file in accordance with program regulations.

Users that access GUS must also have:

- An activated e-Authentication ID and password, and
- Have this e-Authentication ID activated in GUS by the USDA approved lender's Security Administrator or SA.



All GUS loans must continue to meet the requirements of:

- 1. 7 CFR Part 3555, the program regulation
- The regulation is the first place users should look for the answers to their questions. The regulation is the rule.
- The 7 CFR 3555 is comprised of 8 subparts, A through H.
- 2. The technical handbook, HB-1-3555
- The handbook provides guidance to support the requirements of the regulation.
- The handbook has twenty chapters.



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."

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T CFR P	Part 3555 Begartment of Agriculture generations mit & Sorvices Termine by Solate Telesson Place adverse Contact in	HB-1-355 SFH Guaranteed Loan Program Technical Handbook Table of Contents Chapter 1 - Overview Chapter 2 - Exect Relation Chapter 3 - Deced Relation Chapter 4 - Deced Relation Chapter 5 - Origination and Underwriting Overview Chapter 6 - Origination and Underwriting Overview Chapter 7 - Loan Terms and Conditions Chapter 7 - Loan Terms and Conditions Chapter 9 - Income Analysis Chapter 9 - Orgenty and Appriatal Requirements Chapter 1 - Deporty and Appriatal Requirements Chapter 2 - Deporty and Photomery Types	
Home / Publications / Regulations	& Guidelines / Handbooks	Chapter 15 - Submitting the Application Package Chapter 16 - Closing the Loan and Requesting the Guarantee	
Publications Overview Fact Sheets	Handbooks HB-1-3550 Direct Single Family Housing Leans and Grants - Field Office Hand HB-2-3550 Direct Single Family Housing Leans and Grants - Centraliand Servic HB - 2017 CER Direct Single Family Housing Leans and Grants - Centraliand Service	Chapter 17 - Regular Servicing-Performing Loans Chapter 18 - Servicing Non-Performing Loans - Accounts with Repayment Problems Chapter 19 - Custodial and Real Estate Owned Property	
Reports Dispute Appeals Dispute Appeals Dispute Appeals	HB-1356 LFT Counterfeature Counterfeature House Counterfeature HB-1356 MFH Count Register Nandbook HB-23566 MFH Asset Management Handbook HB-23566 MFH Asset Management Handbook	Chapter 20 - Loss Claims - Collecting on the Guarantee Acronyms Glossary	
Cooperatives Rural Cooperatives Magazine	HB-1-365 Cularinteed Rual Rental Housing Program Organizon and Senior Application Information Systems Support Handbook HB-1-356 Direct Single Family Housing Loans and Grants - Field Office Har	Appendix 1 - 7 CFR part 3555 Appendix 2 - Forms and Instructions Appendix 3 - Review and Appents Appendix 4 - Agency and Employee Addresses	
		Appendix 5 - Income Limits Appendix 6 - Interest Assistance	
		Appendix 7 - Caivrs Access Instructions Appendix 8 - EDI Documentation	
		Appendix 9 - Penalties	
		Appendix 10 - Unnumbered Letter and State Supplements	16

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 3555.



To access GUS users must go online to USDA LINC. The web address is provided on the slide.

From the USDA LINC homepage, select "RHS LINC Home".



Under the "Single Family Guaranteed Rural Housing" menu, select "Guaranteed Underwriting System (GUS)."



The e-Authentication Log in page will display.

Users that have an activated e-Authentication User ID and password will be able to enter these credentials and select "Login."



Upon a successful login the GUS welcome page will display.



The welcome page includes the following messages of interest to users:

- 1. Pop-up blockers must be turned off or disabled in order to allow GUS to accurately display error messages.
- 2. GUS is supported for use with Internet Explorer 7.0, 8.0 in compatibility mode, and 9.0.



USDA will post updates regarding GUS on this welcome page as applicable.

Some users do not wish to view the welcome page upon a successful log in, therefore they may check the box displayed on this slide.

If USDA updates the Welcome Page, all users will be directed back to it for review. Then the checkbox may be selected again to bypass it for future log ins.



The menu on the left side of the welcome page for USDA approved lenders will display the "Loan Application" menu options.

The first option is "Import New Application."

Lenders that use an eligible Loan Origination System (LOS) can import a loan application directly into GUS.

The import option is available to Lender Agents as well.



The "New Application" option will allow approved lenders and lender agents to manually enter loan data into each application page.



Users may locate and review loan applications previously imported or manually entered and saved into GUS by selecting "Existing Application."



When this option is selected, GUS will display data fields to assist the user in finding a specific loan, or viewing all loans within a specified timeframe.



The "Beginning Date" and "Ending Date" will always default to the most recent seven days.

The "Begin-End Data Range" will allow the user to quickly select an alternate timeframe up to the last 365 days to expand the date search criteria.

USDA Opportuner d Agriculture Rural Development		
Existing A	pplication Tips	
Use Data Fi	ields to locate loans quickly	
2.	Submission Status	
	All Non-Final Submissions Preliminary Submissions Final Submissions Not Submitted All Submissions	
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Once a date range has been selected, the next data field is "Submission Status."

Users can further define their loan search based upon the type of GUS submission that may or may not have occurred. The following options are available as well as the result they will render:

- All Non-Final Submissions: all GUS loans that have not been submitted to USDA as a final underwriting submission
- Preliminary Submissions: only loans that have a preliminary underwriting submission
- Final Submissions: only loans that have been submitted to USDA as a final underwriting submission
- Not Submitted: loans that have not been submitted for a preliminary or final underwriting submission



Under "Select Item to Search By" the user may further drill down their criteria to:

- Borrower Last Name
- Borrower SSN
- Lender Loan Number
- GUS Application ID Number
- Originator (TPO) Name

After a selection has been made the "Enter Search Value Here" data field will be available for completion.



The final data filed is "Property State."



This is an example of a completed loan search.

The date range is July 23, 2016 through January 19, 2017. The "Last 180 days" was selected.

Only preliminary underwriting submissions are selected.

The borrower last name of Jones for the State of Indiana will round out the search.

When the user has completed the data fields they wish to complete, "Find Loan" may be selected.



"Authorization" will allow the USDA approved lender's Security Administrator's to activate or deactivate users in GUS for their organization. This would include granting access to lender agents.

A lender agent that logs into GUS will not see the "Authorization" menu option.

USDA Rural	Development		
Au	uthorization	n	
Ac	cess restric	ted to Security Administrators	
	United States Department of Agriculture	Application Authorization Security Management	^
	User List		
	Tax Id System Id eAuth User ID Last Name First Name	Select VUSDA Branch Nbr Branch List Use * at end of eAuth User ID for wildcard search Use * at end of Last Name for wildcard search Use * at end of First Name for wildcard search	
		Submit Reset Add User	
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When the Security Administrator (SA) selects "Authorization" it connects them to "Application Authorization Security Management" or AASM.

This is the online source that will allow the SA to enter an employee's activated e-Auth User ID and select the appropriate levels of access for the user.



AASM allows SA's to:

- Authorize employees and agents, such as third party originators,
- Grant, modify, or remove level of access of automated systems for all users,

Security Administrators will be appointed to oversee user access to all applicable systems such as GUS, lender loan closing, guaranteed annual fee payment, loan status reporting, loss claim submission, etc.



GUS training and documentation and resources are available online at the USDA LINC Training and Resource Library from the link provided on this slide.

Scroll down the Training and Resource Library to the "Guaranteed Underwriting System (GUS)" section.

Training and Documentation and Resources will be available for selection and updated as applicable.

SA's will find the 'Gaining Access to GUS Guide" most helpful.



SA's will find step by step directions to add, modify, and delete users.



Approved lender's cannot add or delete Security Administrator's without assistance from USDA.

When a lender needs to add or delete a SA, they should go to the USDA LINC Training and Resource Library webpage.

Scrolling down to the "Security" section under "Documentation and Resources" the "Additional Lender Security Administrator" fillable form is available for completion.

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FILMEN SILVERY & HE AVAILABLE FILME	Request	to Add/Remove	Security Administrator(s)
Request for Adding or Removing a Security Administrator Single Family Housing Guarantee Loan Program Automated Systems	Taxing Mentification Number (T Complete legal name of Busine Address (Street, Cty. State, 2g-Code)	N):	
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This fillable form includes instructions on where to email the form upon completion and a list of system definitions for which the SA's hold the keys to the activation kingdom!



The "Gaining Access to GUS Fillable Forms" includes a "Lender Request for Branch Addition/Modification to the Rural Development Database." If there are changes to a branch address or point of contact, this form may be completed and emailed to USDA.



"Logoff" will effectively end the GUS session.



There is also a "GUS User Guide" available on demand to assist users with each GUS application page and underwriting submission type.



This is a screen shot of the current GUS User Guide. To the left is a Table of Contents that allows users to quickly access the application page or topic of their choice. This guide also includes step by step directions to import a loan into GUS.

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GovDelivery Sign up https://public.govdelivery.com/accounts/USDARD/subscriber/new?qsp=USDARD_2	<u>25</u>
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Email Updates	
To sign up for updates or to access your subscriber preferences, please enter your contact information below.	
*Email Address	
Submit Cancel	
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Please sign up for GovDelivery messages. USDA sends out origination (including GUS) and servicing messages to alert lenders of new publications, clarifications, and additional program updates.



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



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