



Becoming an Approved Lender

Single Family Housing
Guaranteed Loan Program
(SFHGLP)





Open Doors.

Build Futures.

Grow Your Business.



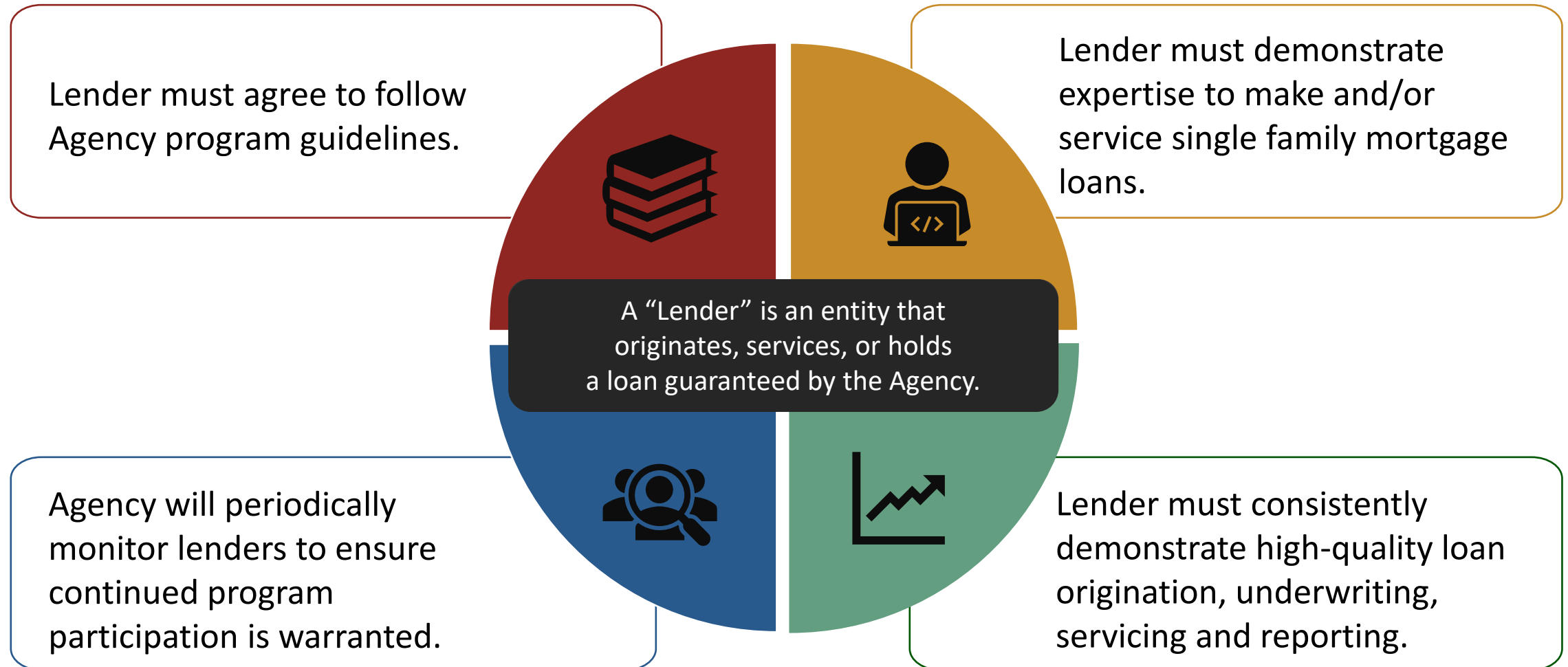
Today's Topics

- ☐ Lender Definition & Participation
- ☐ Lender Criteria
- ☐ Agency Forms & Checklists
- ☐ Agency Review & Recertification
- ☐ What Have You Learned?

A G E N D A

Lender Definition

HB-1-3555, Chapter 3.1



Lender Participation

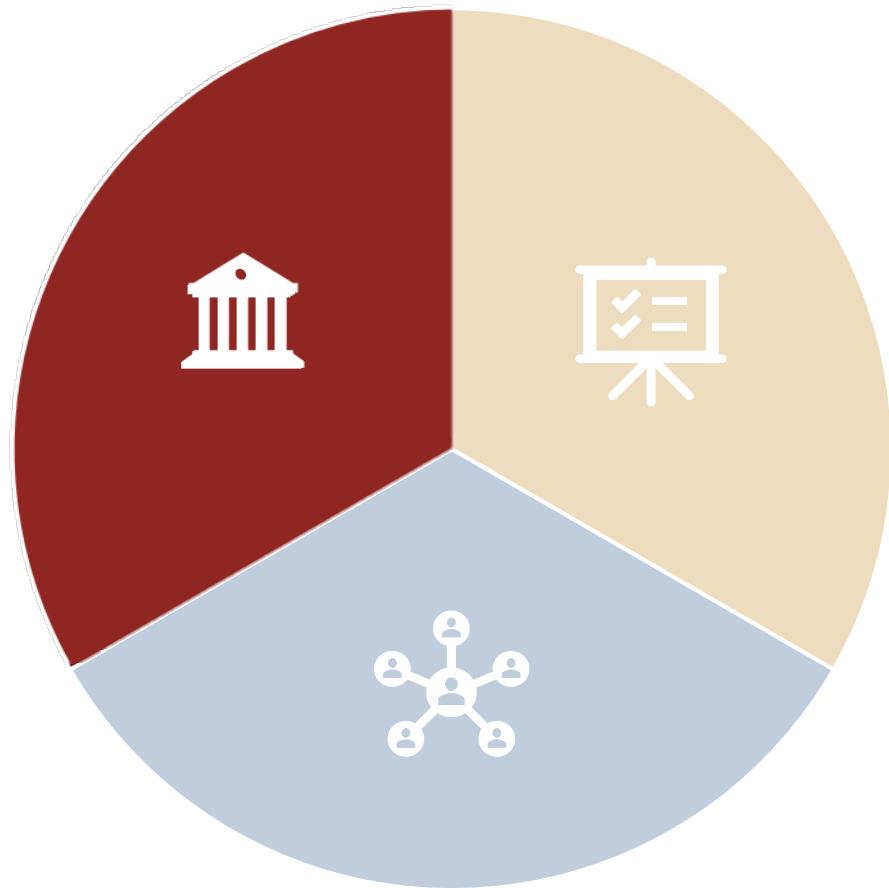
7 CFR 3555.51 and HB-1-3555, Chapter 3



- Demonstrate that it has expertise to make and/or service single family housing mortgage loans.
- Comply with all Agency requirements.

Lender Approval Criteria

HB-1-3555, Chapter 3.2A

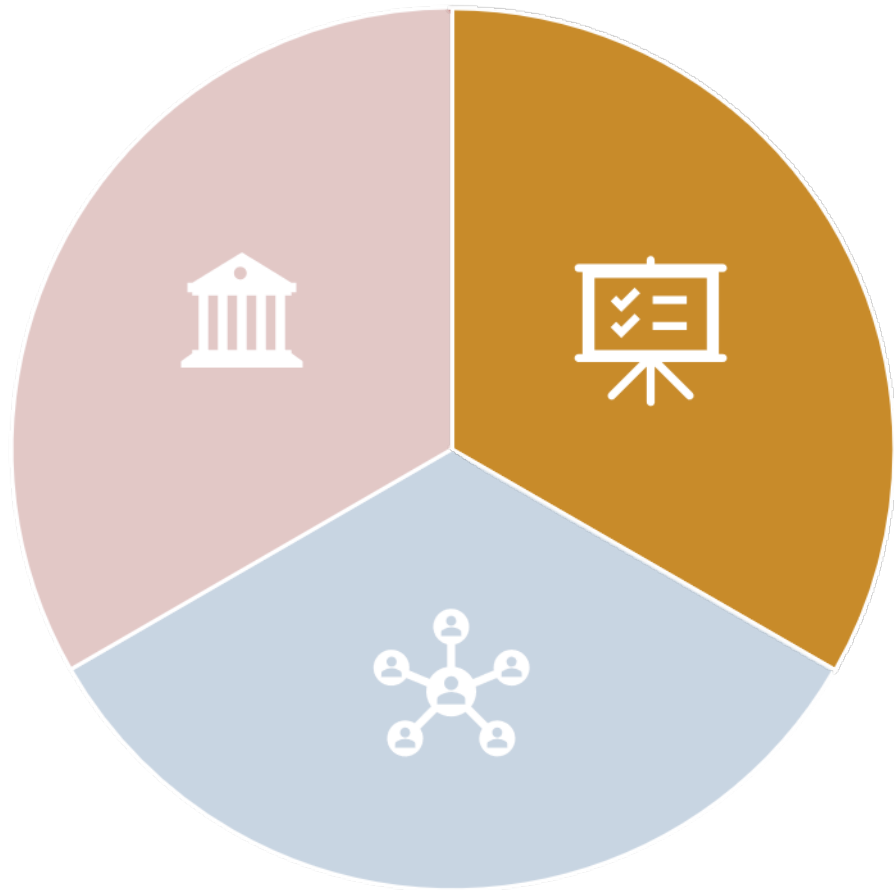


Approval from Another Recognized Source

- A State Housing Finance Agency
- U.S. Department of Housing and Urban Development-Federal Housing Administration
- Government National Mortgage Association
- U.S. Department of Veterans Affairs
- Fannie Mae
- Freddie Mac

Lender Approval Criteria

HB-1-3555, Chapter 3.2B

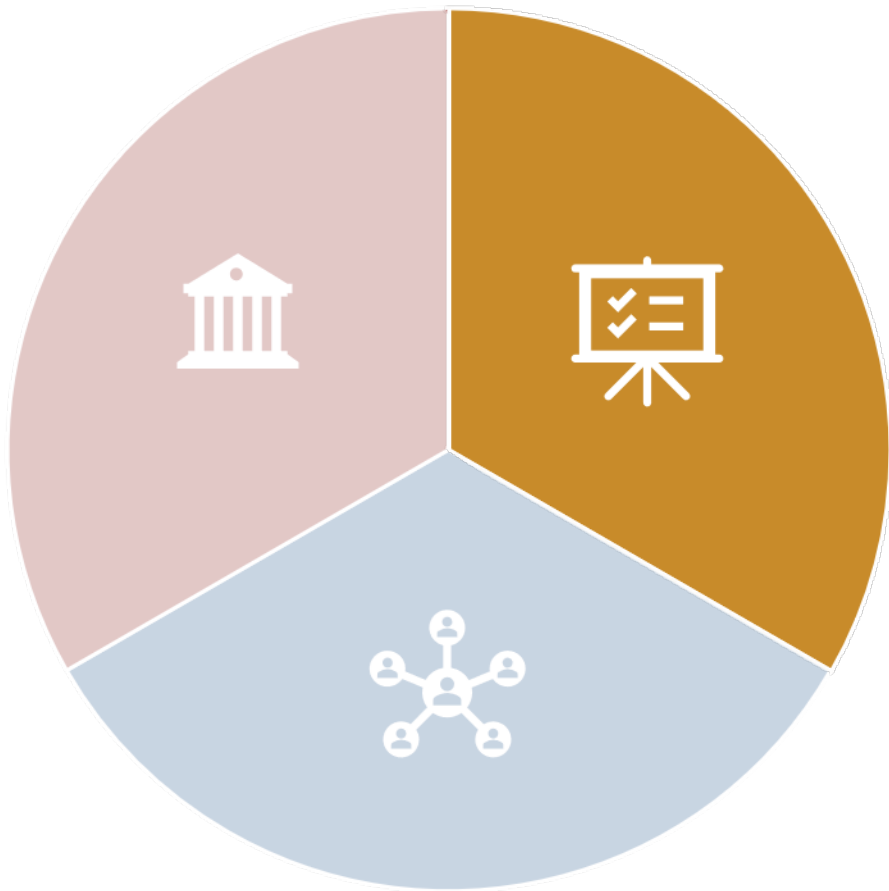


Approval by Demonstrated Ability: *Federal Oversight*

- Provide documentation that Federal oversight is being provided by one of the following:
 - Federal Reserve System
 - Office of the Comptroller of the Currency
 - Federal Deposit Insurance Corporation
 - National Credit Union Administration
 - Federal Housing Finance Board regulating lenders within the Federal Home Loan Bank system

Lender Approval Criteria

HB-1-3555, Chapter 3.2B



Approval by Demonstrated Ability:

Experience with USDA Program or Farm Credit System

- Lenders meeting these criteria include:
 - An FCS lender with direct lending authority.
 - A lender participating in other Rural Housing Service, Rural Business-Cooperative Development Service, Rural Utilities Service, or Farm Service Agency guaranteed loan programs with an active lender agreement on file.

Lender Approval Criteria

HB-1-3555, Chapter 3.2B

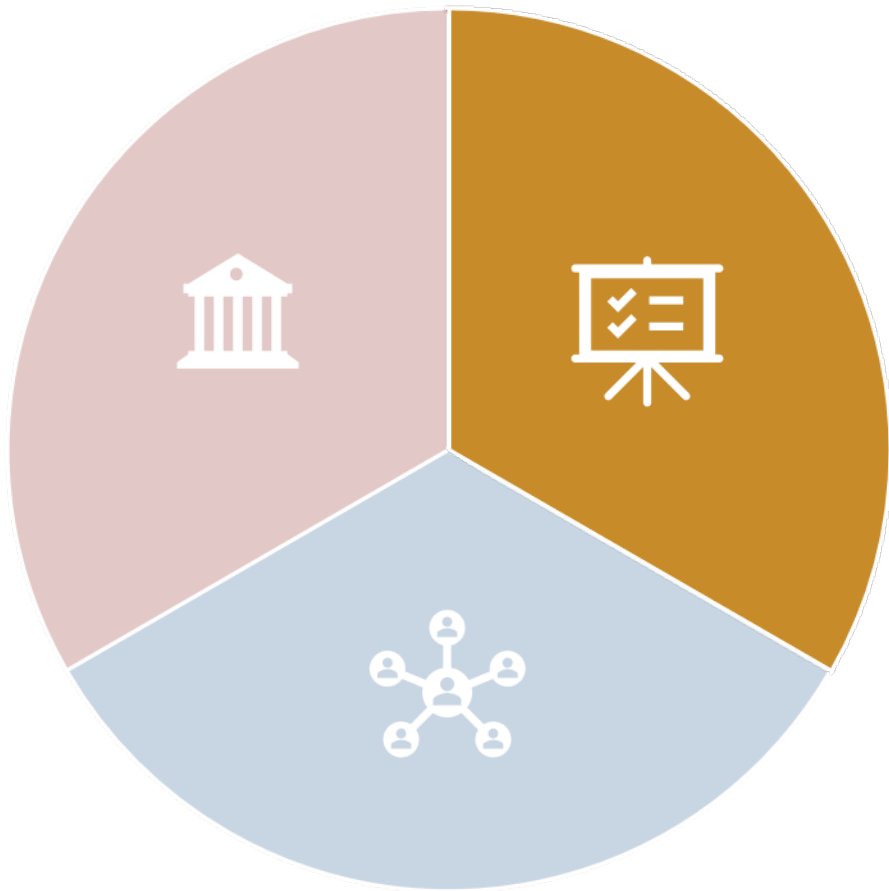


Approval by Demonstrated Ability: *Demonstrated Ability*

- A summary of residential mortgage lending activity.
- Written criteria that outline policies and procedures the lender follows when originating, underwriting, and closing residential mortgage loans.
- Evidence that the lender has an experienced loan underwriter on staff.

Lender Approval Criteria

HB-1-3555, Chapter 3.2B

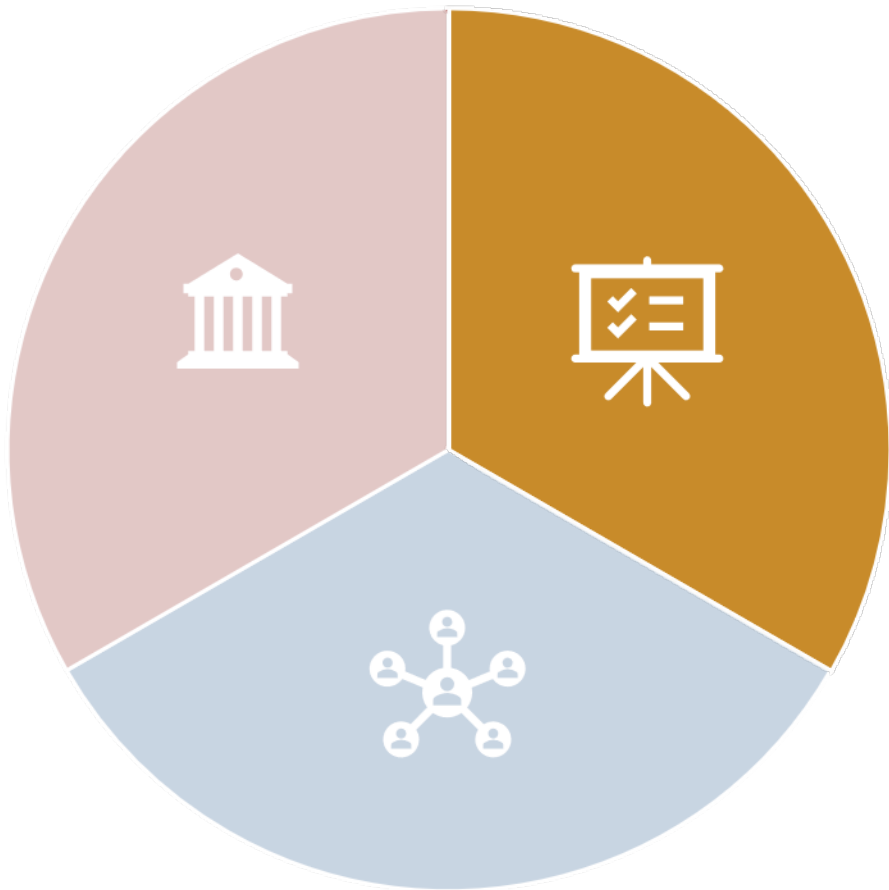


Approval by Demonstrated Ability:
Additional Requirements for Originating Lenders that do not service loans.

- Must certify that it will contract with an Agency-approved lender that agrees to follow all Agency servicing requirements.
- Originating lender should be prepared to escrow funds for taxes and insurance when required to repurchase loans.

Lender Approval Criteria

HB-1-3555, Chapter 3.2B



Approval by Demonstrated Ability:

Additional Requirements for Originating Lenders that do service loans.

- Provide written criteria concerning the policies and procedures for servicing residential mortgage loans.
- Provide evidence of a written plan if the lender contracts for escrow services.
- Provides evidence that the lender has serviced single-family residential mortgage loans in the year before applying for Agency approval.

Lender Approval Criteria

HB-1-3555, Chapter 3.2C



Participation as an Agent of an Approved Lender:

- Lenders that do not meet requirements for Agency lender approval may participate as an agent of an approved lender.
- Approved lender must designate the agent in writing.
- Agent is authorized to originate and close the loan in their name if the loan was reviewed and approved by the approved lender.
- Loan must be transferred to approved lender immediately after closing.

Attachment 3-A, "Lender Approval Checklist"

Close

Save

Submit

USDA Form RD 3555-16
(Rev. 01-22)

**AGREEMENT FOR PARTICIPATION
IN SINGLE FAMILY HOUSING
GUARANTEED/INSURED LOAN PROGRAMS
OF THE UNITED STATES GOVERNMENT**

FORM APPROVED
OMB No. 0575-0179
Exp. Date: 12/31/2024

INTRODUCTION

The purpose of this Agreement is to establish the Lender as an approved originator, servicer, or holder of single family housing loans for the Rural Housing Service (RHS), and to provide general terms and conditions for originating and servicing such loans.

Agency/Department Rural Housing Service	Participating Lender:
Address:	Tax Identification No.:
	Home Office Address:
	Telephone No.:

At the time of this agreement, the Lender is designated as an RHS Approved Lender, and has the authority assigned to such Lenders under Agency regulations. The Agency may, in its own discretion, change such designation upon written notification to the Lender.

PART I - GENERAL REQUIREMENTS

This part sets forth the requirements for participation in single family housing guaranteed/insured loan programs of the Federal Government. Notwithstanding any other provisions of this Agreement, should there be a conflict between this Agreement and any statute or Agency rule or regulation, the latter shall prevail.

A. Duties and Responsibilities of the Agency

1. **Payment on Claims.** The Agency agrees to make payment on its claims in accordance with the terms of the guarantee/insurance and consistent with Agency regulations.
2. **Information on Regulations and Guidelines.** The Agency shall make all reasonable efforts to provide the Lender with information concerning regulations and guidelines that the Lender is required to follow to be in compliance with the Agency's guaranteed/insured loan program.
3. **Personnel Available for Consultation.** The Agency shall make personnel available for consultation on interpretations of Agency regulations and guidelines. The Lender may consult with Agency personnel regarding unusual underwriting, loan closing, loan servicing, and loan liquidation questions.
4. **Agency Review of Lender Actions.** In conducting reviews of specific actions taken by the Lender, the Agency shall determine the propriety of any decision made by the Lender based on the facts available at the time the specified action was taken. It is understood by the Agency and intended by this Agreement that the Lender has the authority to exercise reasonable judgment in performing any non-supervised act within its authority. However, the Agency reserves the right to question any act performed or conclusion drawn by the Lender which is inconsistent with this Agreement or Agency regulations or guidelines.
5. **Lender Right to Appeal Adverse Actions.** The Agency shall clearly state in its regulations which adverse actions taken by the Agency may be appealed by the Lender. The regulations shall provide procedures and requirements for such appeals.

B. General Requirements for the Lender

1. **Eligibility to Participate.** The Lender, to be an approved participant with the Agency in its guaranteed/insured loan program, must be a corporation or other acceptable legal entity, as defined by Agency regulations, with legal authority to participate in the program.
 - The Agency will determine whether the Lender meets all eligibility requirements for participation in the Agency's guaranteed/insured loan program.
 - The Lender must continue to meet the Agency's lender eligibility requirements at all times, as determined by the Agency, during the terms of this Agreement.
2. **Knowledge of Program Requirements.** The Lender is required to obtain and keep itself informed of all program regulations and guidelines, including all amendments and revisions of program requirements and policies.
3. **Notification.** The Lender shall immediately notify the Agency in writing if the Lender:
 - Ceases to possess the minimum net capital and/or an acceptable level of liquidity/working capital, as required under this Agreement;
 - Becomes insolvent;
 - Has filed for any type of bankruptcy protection, has been forced into involuntary bankruptcy, or has requested an assignment for the benefit of creditors;

HB-1-3555
Attachment 3-A
Page 1 of 3

ATTACHMENT 3-A
LENDER APPROVAL CHECKLIST

Section 3555.51 of 7 CFR Part 3555 and Chapter 3 of this Handbook describe the qualifications required to become an Agency approved lender. Other entities may participate as an approved lender's agent or correspondent, but only approved lenders are responsible for underwriting and servicing and may hold the Loan Note Guarantee on a Rural Development guaranteed loan. Lenders may utilize the following checklist to ensure a complete application is submitted. Requests must contain all of the following information, in the order listed, and be submitted to Loan Servicing Branch at sfhelpservicing@usda.gov.

Lender Approval Checklist

USDA Rural Development

Lender Information				
Name:			TAX ID:	
DBA Name(s), if applicable. Use separate sheet for any additional DBAs:				
Geographic Address:		Mailing Address (if different)		Phone:
				Fax:
				County:
Chartered State/Headquarters:				
Website:		Company E-Mail:		
Contact Person	Name:	Phone:		E-Mail:
	Title:	Fax:		
Minority/Women-Owned Business (Optional)		<input type="checkbox"/> Minority-Owned <input type="checkbox"/> Women-Owned <input type="checkbox"/> Minority-Owned/ Women-Owned		
Provide the following information for all principal officers, directors, and senior managers. Additional sheets may be attached, if necessary.				
Legal Full Name, including M.I.		Title/Physical Location		
Lender Functions		Lender Type (Select Applicable):		
<input type="checkbox"/> Originate	<input type="checkbox"/> Commercial Bank	<input type="checkbox"/> Credit Union	<input type="checkbox"/> CDFI	<input type="checkbox"/> Others
<input type="checkbox"/> Underwrite	<input type="checkbox"/> Mortgage Loan Co	<input type="checkbox"/> Savings Bank	<input type="checkbox"/> Non-traditional	
<input type="checkbox"/> Service	<input type="checkbox"/> Insurance Co	<input type="checkbox"/> Banks for Co-Ops	<input type="checkbox"/> USDA Agency	
<input type="checkbox"/> Own	<input type="checkbox"/> Farm Credit System	<input type="checkbox"/> State Housing Finance Agency	<input type="checkbox"/> Specialty Servicer	

(03-09-16) SPECIAL PN
Revised (07-21-23) PN 588

<https://forms.sc.egov.usda.gov/eForms/welcomeAction.do?Home>

<https://www.rd.usda.gov/files/3555-1chapter03.pdf>

Utilize Attachment 3-A,
“Lender Approval
Checklist”



Assemble documents in
order listed



Submit complete
application to:
SFHGLPServicing@usda.gov



Supporting Documents



Agency Certifications



Form RD 3555-16



Resume



Retail Lender - Spreadsheet



Wholesale Lender or Servicing Lender
- Spreadsheet



Underwriting Outline



Quality Control Plan



Training Certification

Lender's Quality Control Plan

HB-1-3555, Chapter 3.3



Written procedures for document reverification, sampling methodology, consistent and timely review process.



Quality control team that operates independently from loan origination/underwriting and servicing functions.



Provides standard operating procedures for all employees who will be involved with or affected by quality control process.



Written procedures to report violations of laws or regulations, false statements, and program abuses to appropriate authorities in timely manner.



Ensure adequate quality control and data integrity checks are included for loans processed through automated underwriting systems on regular and timely basis.



Ensure adequate monitoring of all vendors, contractors, and third-party providers involved in the origination process.



Identify training opportunities for lender staff.



Agency Review

HB-1-3555, Chapter 3.4



COMPLETENESS

Confirm all documents are complete and accurate. Verify Form RD 3555-16 has been signed

ELIGIBILITY

Confirm that the lender and principal officers have not been debarred from participating in Federal programs

ABILITY

Confirm that the lender demonstrates consistent ability with the requirements of the Agency

APPROVAL

Verify Lender's approval status with Fannie Mae, Freddie Mac, HUD, VA, etc. is active at the time of application

SAM (System for Award Management) Registration

Confirm lender qualification to utilize Federal government programs

Agency Review

HB-1-3555, Chapter 3.4

PRE-APPROVAL OR DENIAL

The agency will issue a pre-approval or denial to the lender based on the documentation submitted to the Agency.



FINAL APPROVAL

Upon receipt of an executed training certification, the Agency will provide a copy of the approved/executed Form RD 3555-16.



MANDATORY TRAINING

Final approval will be contingent upon all origination and underwriting staff completing mandatory training.

RECORD RETENTION

Agency will maintain and retain Lender approval files in accordance with Chapter 2 of HB-1-3555.

HB-1-3555, Chapter 3.5, "Lender Sale of Guaranteed Loans"



The selling lender must provide the original LNG to the purchasing lender.



The selling lender must report the sale of the loan within 30 days of the sale.



USDA-RHS
Form RD 3555-11
(Rev. 04-24)

FORM APPROVED
OMB NO. 0575-0179
Exp. Date 12/31/2024

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT
SINGLE FAMILY HOUSING
GUARANTEED LOAN PROGRAM

Lender Record Change

(See reverse side for Instructions)

Email the completed Form to:
RD.SO.HSB@usda.gov

Effective Date of Transfer: _____

All Blocks, A-D are required to be completed by the transferor.

A. Transferor (The Lender who is transferring the loan(s) and/or servicing of the loan(s). i.e. where the loan is being transferred from):

Lender Tax ID: _____ USDA Assigned Branch Number: _____
Lender Name: _____
Address: _____
City: _____ State: _____ Zip Code: _____ Zip+4: _____

B. Servicing Lender (The lender that will be servicing the loan(s) after the effective date of transfer):

Lender Tax ID: _____ Agency Assigned Branch Number: _____
Lender Name: _____
Address: _____
City: _____ State: _____ Zip Code: _____ Zip+4: _____

C. Holding Lender (The RHS approved Lender who will be holding/owning the mortgage note after the effective date of transfer, i.e. Fannie Mae, Freddie Mac, etc., not Ginnie Mae; See Instructions on back):

Lender Tax ID: _____ Agency Assigned Branch Number: _____
Lender Name: _____
Address: _____
City: _____ State: _____ Zip Code: _____ Zip+4: _____

D. Borrower Information (If more than one (1) borrower, you may attach a list with all of the following information):

☐ This Loan was securitized into a Ginnie Mae Pool (Mark an X in the box if loan is securitized into a Ginnie Mae pool)

Borrower's USDA ID Number: _____ Borrower's Name: _____

<https://formsadmin.sc.egov.usda.gov/eFormsAdmin/searchAction.do>

Lender Responsibility

HB-1-3555, Chapter 3.6



Processing

- Lender must abide by restrictions on loan purposes, loan limitations, interest rates and terms as referenced in 7 CFR 3555.
- Lender will underwrite the loan and submit the necessary items in order to receive a Conditional Commitment.
- If closed by an agent, the agent may close the loan in its name provided the loan is immediately transferred to the approved lender to whom the guarantee will be issued.



Servicing

- Lenders are fully responsible for regular and default servicing and maintaining security interest for all guaranteed loans.
- Regular and default servicing requirements are outlined in Chapters 17 through 19 of SFHGLP Handbook.
- When servicing is performed by a third party, the lender will inform Rural Development of the name and address of the servicer through the completion of Form RD 3555-11.

Education and Outreach

HB-1-3555, Chapter 3.7



Lenders

- Lenders may meet education and training requirements via in-person training or on-line.
- Rural Development has developed a series of modules for the SFHGLP and are located at <https://www.rd.usda.gov/resources/usda-linc-training-resource-library>
- Lenders are responsible to ensure all staff have reviewed the modules before participating in the SFHGLP.
- Additional resources are available on the Agency's SFGHLP web page located at: <https://www.rd.usda.gov/programs-services/single-family-housing-guaranteed-loan-program>

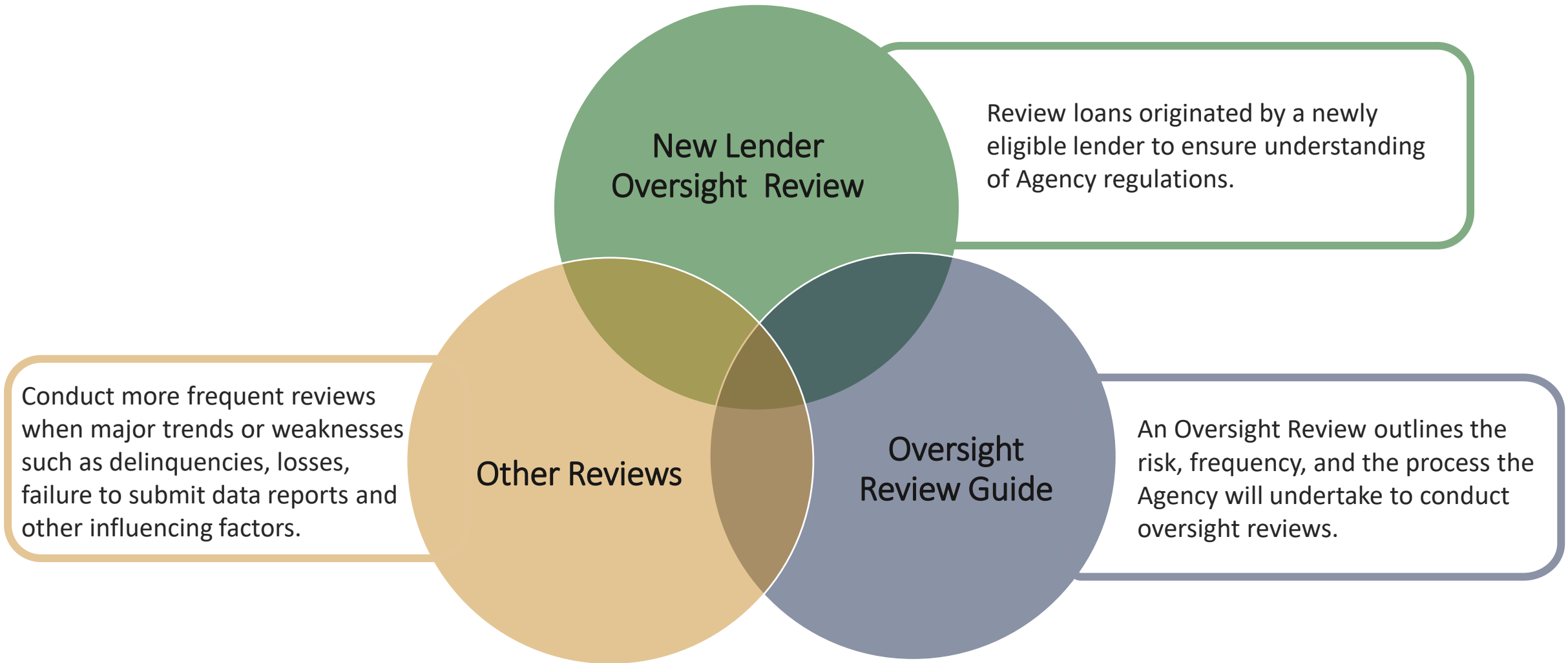


Agency

- Agency staff will conduct outreach and lender education activities to encourage eligible lending institutions to apply for approved lender status.
- The Agency will reach out to local and national educators for information on any organization that can assist in meeting this objective.
- Eligible rural homebuyers benefit when their choice of lending institutions includes mortgage bankers, mortgage brokers, credit unions, Federal Home Loan Banks, etc.
- Lenders are encouraged to reach out to Agency staff for training and outreach opportunities at: sfhgld.lenderpartner@usda.gov

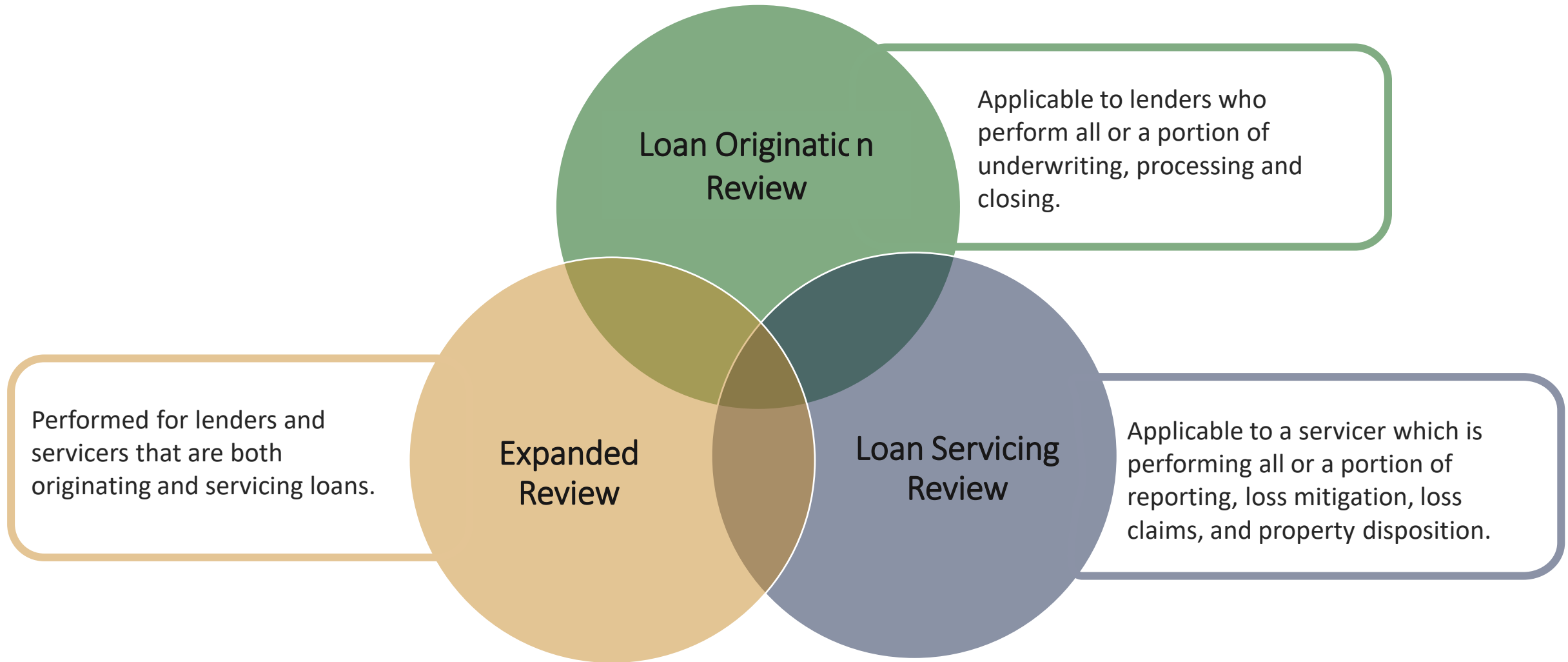
Review Circumstances and Factors

HB-1-3555, Chapter 3.8A



Conducting Oversight Reviews

HB-1-3555, Chapter 3.8B



Lender Recertification and Revoking Lender Eligibility

HB-1-3555, Chapter 3.9



2-Year Recertification

- Lender remains eligible as long as the lender meets the criteria outlined in HB-1-3555, 3.2 unless revoked by the Agency or by another Federal agency.
- The Agency will require the lender to recertify eligibility every 2 years.
- Non-compliance with any eligibility requirements will result in termination of the lender's approval.
- Extreme circumstances may result in debarment and/or indemnification.

Voluntary Withdrawal

HB-1-3555, Chapter 3.10



Voluntary Withdrawal

- The lender may voluntarily withdraw from participation in the SFHGLP.
- Pending, unclosed Conditional Commitments, loans serviced or held must be transferred to another approved lender prior to withdrawal.
- Lenders must notify Rural Development of their intent to withdraw from participation.



What Have You Learned?



Question

In order to participate in the SFHGLP, a lender must:

- A. Agree to follow Agency program guidelines
- B. Demonstrate expertise to make and/or service single family mortgage loans
- C. Consistently demonstrate high-quality loan origination, underwriting, servicing and reporting
- D. All of the above

Answer

D. All of the above

The lender must: Agree to follow Agency program guidelines, demonstrate expertise to make and/or service single family mortgage loans, and consistently demonstrate high-quality loan origination, underwriting, servicing and reporting.

3555.51(b) and HB 3.1

Question

Lenders that have been approved through another recognized source are considered to have demonstrated the ability to originate, underwrite and service SFHGLP loans.

A. TRUE

B. FALSE

Answer

A. TRUE

Lenders that have been approved for single-family housing loan-making activities by: A State Housing Finance Agency, U.S. Department of Housing and Urban Development- Federal Housing Administration, Government National Mortgage Association, U.S. Department of Veterans Affairs, Fannie Mae, or Freddie Mac are considered to have demonstrated the ability to originate, underwrite, and service SFHGLP loans.

3555.51(a) and HB 3.2A

Question

Lenders must notify Rural Development of their intent in the event of voluntary withdrawal from the program.

A. TRUE

B. FALSE

Answer

A. TRUE

Lenders may voluntarily withdraw from participation in the SFHGLP. Pending, unclosed Conditional Commitments, loans serviced or held must be transferred to another lender participating in the SFHGLP prior to withdrawal.

Lenders must notify Rural Development of their intent to withdraw participation.

3555.52(c)(2) and HB 3.10

Question

The Agency must ensure that all lender staff have reviewed the training modules prior to participating in the SFHGLP.

A. TRUE

B. FALSE

Answer

A. TRUE

Rural Development has developed a series of educational modules for the SFHGLP. These modules can be located at <https://www.rd.usda.gov/resources/usda-linc-training-resource-library>.

Approved Lenders are responsible to ensure that all staff have reviewed the modules before participating in the SFHGLP.

3555.51(b) and HB 3.7A

Question

The Agency will require the lender to recertify eligibility every _____ years.

A. One B. Two C. Three

Answer

B. Two Years

3555.51(b) and HB 3.9

Question

Lenders may sell their guaranteed loans to lenders who meet Agency requirements.

The selling lender is responsible for providing the original Loan Note Guarantee to the purchasing lender.

The selling lender must report the sale of the guarantee on RD Form 3555-11 within 60 days of the sale.

A. TRUE

B. FALSE

Answer

B. FALSE

The selling lender is responsible for providing the original Loan Note Guarantee to the purchasing lender and must report the sale of the guarantee on Form RD 3555-11 within 30 days of the sale.

3555.54 and HB 3.5

Question

A lender that does not meet the requirements for Agency lender approval may participate as an agent of an approved lender.

The approved lender must designate the agent in writing.

The agent is authorized to originate and close the loan in their name if the loan was reviewed and approved by the approved lender.

The loan must be transferred to the approved lender immediately after closing.

A. TRUE B. FALSE

Answer

A. True

If a lender does not meet the requirements for Agency approval as a lender, they may participate in the program as an agent of an approved lender. The approved lender must designate the agent in writing and state the functions that the agent will perform on their behalf. The agent is authorized to originate and close loans in their name as long as the loan was reviewed and approved by the lender and is transferred to the lender immediately upon closing and prior to issuance of the Loan Note Guarantee.

3555.53 and HB 3.2C



Contact Us!

SFHGLPServicing@usda.gov





Lender Toolkit



Origination FAQs



Bookmark It!



Use Ctrl-F to find
answers quickly!



FAQ Frequently Asked Questions

***Single Family Housing
Guaranteed Loan Program
Origination***



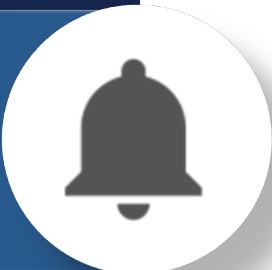
Training &
Resources



Check back for
updates



Don't forget to sign
up for GovDelivery
updates



USDA LINC Training & Resource Library

HOME RESOURCES

Resources

- Acronyms
- Directives
- Disaster Assistance
- Environmental Studies
- Forms
- Publications
- Regulations and Guidance
- Rural Data Gateway
- LINC Training Library
- Guaranteed Underwriting System (GUS)
- Lender Approval
- Single Family Housing GLP Policy Desk
- Lender Training
- Loan Closing
- Loan Origination
- Loan Servicing
- GUS Lender Test Environment (LTE)
- SFHGLP System Access and Security Guide
- Lender Training Schedule
- Loan Processing
- LINC Contact and Resources
- Lender List
- RBCS How-To Apply Video Series for Applicants

English

Loan Status

We are currently reviewing new loan applications and conditions received on or before **5-23-2025**.

New Information

[Job Aid - Eligibility for the Single Family Housing Guaranteed Program](#)

Lender Approval and Recertification

Loan Origination

Loan Closing

Policy Desk

Lender Training

Loan Processing

Loan Servicing

Guaranteed Underwriting System (GUS)

Contact Us

Find contact information and resources to help you with Single Family Housing Guaranteed Loan Program questions.

[View Contact Information](#)

GovDelivery Updates

An archive of previously released email bulletins and program updates are outlined below. Stay connected with the latest information by [subscribing to our emails](#).

Have a question on
POLICY?

Contact the PAC team!



Need **TRAINING?**

Contact the LPA team!



Have a question on a
SPECIFIC FILE?

Contact the OPD!



Topic	Information
	Information to include in email: <ul style="list-style-type: none">• Identify the state the application is located; if applicable;• Provide applicant's name and USDA borrower ID, if applicable;• GUS loan number, if applicable• Include contact information; and• Indicate if you would like a call back (otherwise you will receive an email reply) File-Specific Questions by phone: 833-314-0168, ext. 2 Phone System Availability: 9:00 am to 3:30 pm ET
File-Specific Questions	Origination and Processing Division 1: SFHGLP.OPD1@usda.gov Supporting: AL, AK, AR, AZ, CA, CO, GU, HI, IA, ID, KS, KY, LA, MO, MN, MS, MT, ND, NE, NM, NJ, NY, NV, OK, OR, SD, TX, UT, WA, WP, WI, WV Origination and Processing Division 2: SFHGLP.OPD2@usda.gov Supporting: CT, DE, FL, GA, IL, IN, MA, MD, ME, MI, NC, NH, OH, PA, PR, RI, SC, TN, VA, VI, VT, WV

Have a question on
POLICY?

Contact the PAC team!



Need **TRAINING?**

Contact the LPA team!

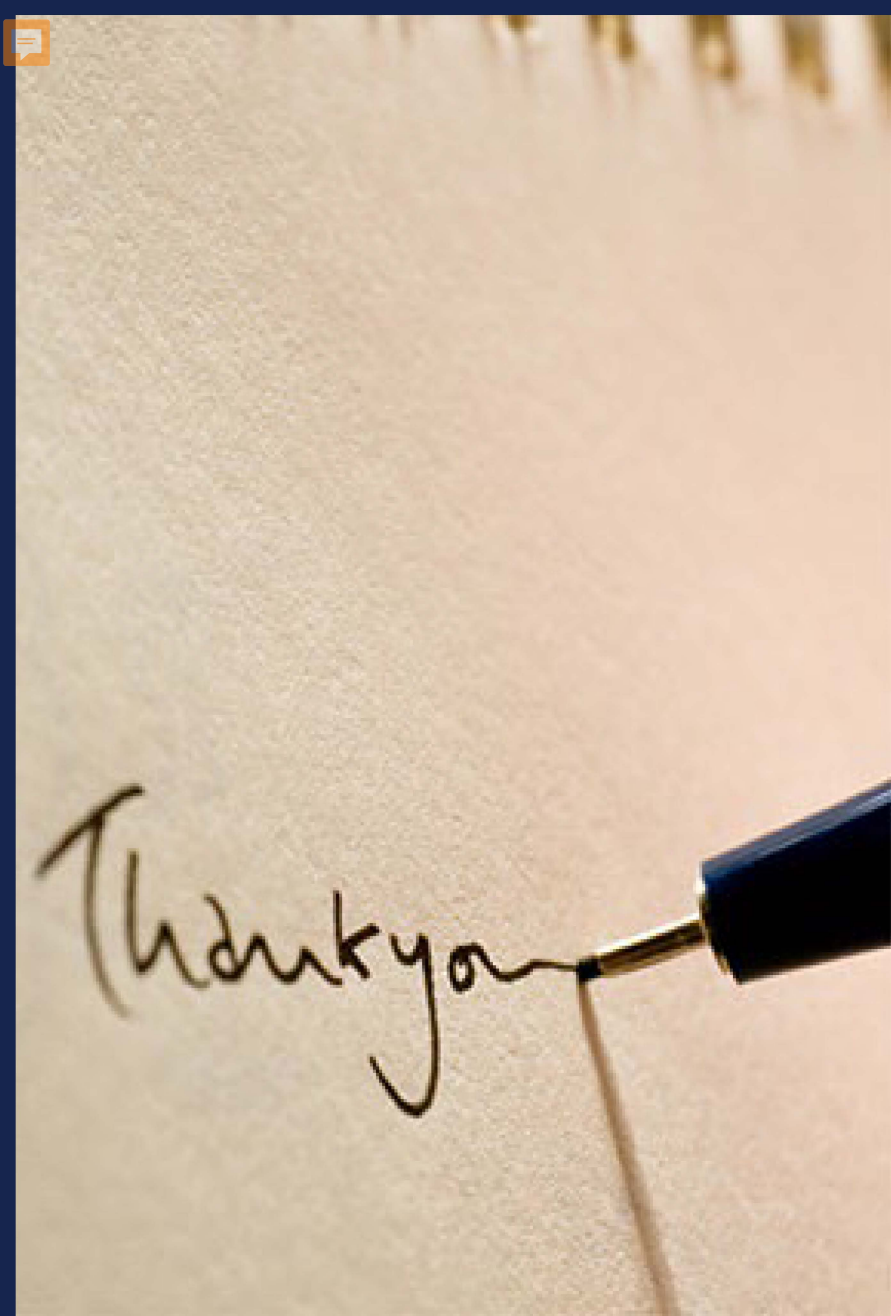


Have a question on a
SPECIFIC FILE?

Contact the OPD!



Topic	Information
Lender Self-Report	SFHGLD.QA@usda.gov
Program Training Program Marketing and Outreach	sfhgld.lenderpartner@usda.gov
General Loan Scenario Questions Loan Policy/Regulation/Handbook	sfhgld.program@usda.gov or *833-314-0168, ext. 4
Turn Times	833-314-0168, ext. 1 Phone System Availability: 9:00 am to 3:30 pm ET
Lender Approval/Recertification Loan Servicing	sfhglpservicing@usda.gov
Technical Issues: GUS	RD.HD@USDA.GOV or (800) 457-3642 option 2, option 2
Technical Issues: eAuth or Login.gov	https://www.eauth.usda.gov/eauth/b/usda/faq Select Public Customer FAQs
Loss Claims	guarantee.svc@usda.gov
Monthly and Quarterly Status Reporting GUS User Agreements	RD.SO.HSB@usda.gov
Adding/Removing Security Administrator (SFH Guaranteed Loan Program Automated Systems)	Form Instructions





www.rd.usda.gov

USDA is an equal opportunity provider, employer, and lender.

