CHAPTER 15: SUBMITTING THE APPLICATION PACKAGE
[7 CFR 3555.107]

15.1 INTRODUCTION

The lender is responsible for working with the applicant to ensure all necessary documentation is obtained to satisfy the requirements for loan eligibility. Lenders may utilize industry standard forms when assembling the application package. The completed application package must not be submitted to the Agency until the loan is underwritten and approved by the approved lender. Underwriting may be performed manually or by utilizing the Guaranteed Underwriting System (GUS), which is the Agency’s automated underwriting system.

15.2 LENDER RESPONSIBILITY

The originating lender remains responsible for the quality and accuracy of all information used in obtaining a Rural Development guarantee in accordance with all parts of 7 CFR 3555 and this Handbook. The loan application package must contain all information that supports the eligibility of the household for the SFHGLP and the lender’s decision to approve the loan request. An underwriter’s certification of their underwriting analysis (applicable to traditional manually underwritten application packages) and/or the final submission of the electronic application through the Agency’s automated underwriting system represents the underwriter of the approved lender has personally reviewed the appraisal report and credit application and the proposed mortgage complies with Rural Development eligibility and underwriting requirements.

Documenting Eligibility of the Household: Income from all household members, not just parties to the note, must be considered when computing income to determine eligibility for the SFHGLP. It remains the lender’s responsibility to document the applicants qualifying income and support their calculation. Chapter 9 of this Handbook provides guidance.

Documenting Eligibility of the Applicants and Parties Eligible to Participate in Rural Development Loan Guarantee: As part of the eligibility determination for the SFHGLP, lenders must document their permanent file confirming the applicant(s) are not on the:

- U.S. General Services Administration (GSA) System for Award Management (SAM) and
- HUD’s Credit Alert Verification Reporting System (CAIVRS).

To determine whether an applicant is eligible to participate in an SFHGLP mortgage loan transaction, the lender must examine the GSA List and CAIVRS and document their permanent case file
with results. An applicant is ineligible if he/she is presently delinquent on any Federal debt or is suspended or debarred, or otherwise excluded from participating in Rural Development programs. The GSA list may be found at: https://www.sam.gov/portal/public/SAM/. Lenders who utilize an automated method that creates a report, similar to a watch list, which performs a check of the SAM website, will meet the criteria of this check. Lenders will certify on Form RD 3555-21 the applicant(s) and all parties to the mortgage transactions are not on the GSA list. This check is applicable to each financial transaction submitted to the Agency. All other parties to the mortgage transaction can be:

- Applicant(s)
- Seller
- Listing or selling real estate agent
- Loan officer
- Loan processor
- Underwriter
- Appraiser, or
- Builder

**Documentation:** Lenders will retain evidence they followed the appropriate procedures and confirmed eligibility for all participants involved in the transaction. The lender will check the “Yes” box on Form RD 3555-21 at “GSA/SAM Exclusion” and “System for Award Management (SAM) indicates a party to the transaction is debarred from business with the Federal government” on GUS transactions. Include the date SAM was checked.

See Appendix 7 of this Handbook for access to CAIVRS. Refer to Chapter 10 of this Handbook for additional guidance on CAIVRS.

**Eligibility of Applicants for Traditional Credit:** Applicants must demonstrate they are unable to secure conventional credit without a SFHGLP guarantee. Lenders must document their permanent file with their consideration of the criteria, as outlined in Chapters 5 and 8 of this Handbook. Lenders may confirm their consideration of the criteria by recording their review on their underwriting analysis.

**Additional Program Requirements:** The lender’s file must thoroughly document all relevant information used to make the determination of stable and dependable income, in accordance with Chapter 9 of this Handbook, utilized to qualify the applicants for the mortgage loan. The lender must ensure all other eligibility requirements are met and documented.
Social Security Number Evidence: For all applicants, the lender must document a valid Social Security Number (SSN) on the mortgage. Each applicant must provide the lender with evidence of his or her own valid SSN as issued by the Social Security Administration (SSA). This applies to purchase and all refinance transactions. The actual social security card is not required; the lender is required to validate the SSN. Lenders may use various means for validating the SSN including examining the applicant’s pay stubs, passport, valid tax returns, and may use service providers including those with direct access to the SSA. The lender must resolve any inconsistencies or multiple SSNs for individual applicants that become known during the loan processing and underwriting. Lenders must ensure the Uniform Residential Loan Application is reflective of true and accurate information.

15.3 CONTENTS OF LOAN APPLICATION PACKAGE

Manually underwritten loans

Manually underwritten loans are those applications reviewed and approved by the underwriter or applications underwritten with the assistance of GUS that receive an underwriting recommendation of “Refer” or “Refer with Caution.” For manually underwritten loans, the lender must submit a fully documented loan application package to Rural Development. Although, manually underwritten application packages may be submitted by email, the preferred method of the Agency is electronic. Lenders are expected to utilize the automated method of submitting origination requests to the Agency. Use of the electronic method through the Agency’s automated underwriting system, GUS, streamlines the delivery, review and issuance of a Conditional Commitment. A Technical Bulletin regarding “Streamline Issuance of Conditional Commitment – Lenders” is posted to the following resource site: https://usdaline.sc.egov.usda.gov/USDALncTrainingResourceLib.do. Scroll to Loan Origination. Loans that are not delivered via the automated method must protect personally identifiable information when communicating electronically. Form RD 3555-21 summarizes the details of the loan to be guaranteed and requires the lender to certify that all eligibility requirements have been met. See Attachment 15-A for a checklist of items to be provided in the loan package submitted to the Agency. The following information must be provided for the application to be considered complete.

- All pages of the current version of Form RD 3555-21 signed and dated by the applicant(s) and the approved lender submitting the request, or their designated representative. The form must be completed prior to signature by the applicant(s). The lender is responsible for reviewing the contents of the form, acknowledgements and certifications with the applicant(s).
- A signed copy of the Uniform Residential Loan Application (URLA). The loan amount must coincide with the loan request on Form RD 3555-21. If the applicant(s) is not a United States citizen, evidence the applicant(s) meets the qualified alien criteria set forth in Chapter 8 of this Handbook
- The CAIVRS number indicated on Form RD 3555-21.
- The lender’s confirmation they have checked GAO’s System for Award Management (SAM.gov) and have confirmed the applicant(s) and all parties participating in the Rural Development guarantee are not debarred from doing business with the Federal government. Refer to Section 15.2 of this Chapter to identify all parties participating in the loan guarantee request. Certification of this action is recorded on Form RD 3555-21.

- Summary of the calculation of annual income, adjusted income (to qualify for the SFHGLP) and repayment income calculations. Include documentation for all adult members of the household. Documentation to include IRS 4506-T tax transcripts, verifications of employment and other income verification documentation such as asset documentation. See chapter 9 of this Handbook for additional guidance.

- Credit report(s). Include the credit report of a non-purchasing spouse if property is located in a community property state. Include any non-traditional report and all credit supplements.

- Verification of Rental. Include documentation to support rental history in the previous 12 months prior to application, as applicable, for all manually underwritten loans. See Chapter 10 of this Handbook, Section 10.13 for additional guidance on obtaining rent verification.

- Uniform Residential Appraisal Report (URAR) of real estate property which includes Form 1004MC, Market Condition Addendum.

- Purchase/sales agreement/contract.

- Underwriting analysis. This may include evidence the approved lender’s underwriter reviewed and approved the loan, documentation of a credit waiver granted by the underwriter (if applicable), or a request for repayment ratio waiver with documented compensating factors listed (if applicable). Refer to Chapter 10 and 11 of this Handbook for additional guidance.

- FEMA Form 086-0-32.

- If a buydown is involved, documentation in accordance with Chapter 11, Paragraph 11.5 of this Handbook.

**Automated Underwriting System - GUS “Accept”**

Loans underwritten with the assistance of GUS receiving an underwriting recommendation of “Accept” may allow the lender to submit abbreviated documentation when compared to manually underwritten loans when requesting a Conditional Commitment for Single Family Housing Loan Guarantee. The lender certifies upon “final” submission the loan has been reviewed, underwritten and the data entered into GUS is true, complete and accurate. Lenders must review and satisfy pre-Conditional Commitment conditions identified on the final GUS Underwriting and Findings Analysis.
Report prior to submitting the loan to the Agency. Lenders who utilize GUS will be validating the findings provided with the underwriting recommendation in their permanent case file. Unless a quality control message requires the lender to submit a full documentation file, the lender may submit the following completed documents to obtain a Conditional Commitment for Loan Guarantee:

- All pages of the current version of Form RD 3555-21 signed, and dated by the applicant(s) and lender, or lender’s representative.

- Summary of the calculation of annual income, adjusted income (to qualify for the SFHGLP) and repayment income calculations.

- Include the credit report, of a non-purchasing spouse, if property is located in a community property state.

- Appraisal of real estate property which includes Form 1004MC.

- The final GUS Underwriting and Findings Analysis.

- FEMA Form 086-0-32.

- If the applicant(s) is not a United States citizen, evidence the applicant(s) meets the qualified non-resident alien criteria set forth in Chapter 8 of this Handbook.

- If a buydown is involved, documentation in accordance with Chapter 11, Paragraph 11.5 of this Handbook.
If a quality control message for a GUS “Accept” underwriting recommendation requires the lender to submit a full documentation file to Rural Development, the extent of the review by the Agency is to determine the data entered into GUS is true, complete and accurately represented. Ratio waiver requests will not be required.

15.4 ELECTRONIC SIGNATURES

Rural Development will accept electronic signatures in conjunction with the Single Family Housing Program (SFHGLP), unless otherwise prohibited by law or regulation, as described below. This guidance is limited to lenders. Agency staff will continue to follow internal policy.

The 7 CFR 3555 rule does not expressly prohibit or consent to electronic signatures. The regulations require that lenders submit signed documents to the Agency, such as the mortgage or deed of trust, the promissory note, etc. The regulations also require that lenders perfect and maintain a first lien position and an enforceable promissory note. Lenders may use electronic signatures as long as the lender perfects and maintains a first lien position, an enforceable promissory note, and meet all other agency requirements.

Lenders may accept all documents associated with originating or servicing a loan which are signed electronically. The Agency recognizes that electronic signatures include digital signatures as a subset. The electronic signature and date must be clearly observed when the document is viewed either electronically or if printed. The acceptance of electronic signatures by lenders is voluntary. Those lenders who choose to accept electronic signatures must meet the standards and requirements set forth in the ESIGN Act as well as all other applicable federal and state regulations and guidelines. Lenders must still adhere to all program regulations, guidance and agreements as usual. Lenders are charged with the same responsibility of due diligence with electronically signed documents as they are with paper documents.

Two methods are available to transmit credit documents to Rural Development:

An automated lender loan closing system is available to electronically submit guarantee fees, upload loan closing documents and electronically submit loan closings. The Agency expects all lenders will submit loan closing transactions electronically. This method of delivery is expanded upon in Chapter 16.

Those lenders who have not yet set up the automated process and deliver credit documents via e-mail must be able to either submit PDF or TIF versions of the electronically signed documents to the agency, and must follow file retention requirements and make the electronically signed documents available for agency review as necessary. This method must be encrypted or protected to ensure personally identifiable information is secure. Information regarding electronic delivery by state can be
found at the USDA LINC Training and Resource Library (located in the Loan Origination section) at the
URL noted above.

If any electronically signed document eventually is deemed unenforceable (e.g. the promissory note,
mortgage or deed of trust) and is connected to any fraud, misrepresentation or negligent servicing, the
lender bears the risk that any loss claim submitted in relation with the unenforceable document will be
denied or reduced in accordance with applicable regulations. The lender’s failure to collect on the
promissory note or enforce the security instrument because of its electronic signature will be treated as
negligent servicing under SFHGLP regulations.

Failure to comply with any Federal statute or regulation could result in the denial of a loan guarantee
or claim, withdrawal of lending authority and/or debarment from Federal programs.

15.5 AGENCY REVIEW OF APPLICATION PACKAGE

When underwritten application packages are received, Agency staff will track the date and time the
Agency receives the application. Agency staff will review the application and notify the lender of its
status within two business days of receipt of the application. As outlined below, there are circumstances
in which the Agency must review the application more thoroughly. In these situations, the Agency may
take up to four business days to review the application.

A. Content of Standard Review

In general, the Agency will review applications to determine that all program requirements have
been met. The lender has sole responsibility for properly underwriting the loan and ensuring that all
program requirements have been met. Agency review of the application does not relieve the lender of
these responsibilities. Agency staff have the responsibility of determining if the applicant is income
eligible, meets the established qualifying ratios, the property is located in an eligible rural area, that the
loan is for eligible purposes, and the appraised market value supports the requested loan amount.

Although the lender must underwrite the applicant and property information to ensure that the loan
meets all program criteria, the Agency must review the lender’s documentation to ensure that loans, to
be guaranteed, meet program requirements. The following summarizes the criteria Agency staff use to
ensure that each program requirement has been met. Agency staff will utilize Attachment 15-B in their
review of loan note guarantee requests. It was designed to be utilized as a tool to assist in developing,
processing and closing a SFHGLP. This document shall be retained as an essential document imaged in
the Rural Development Imaging Repository in accordance with Chapter 2 of this Handbook.
1. **Household income at or below 115 percent of median for the area**

   The Agency must review the lender’s program eligible income. This calculation is arrived at from eligible adjustments made to the annual income. The adjusted annual income is considered qualifying income. This calculation is utilized one time to determine program eligible income. Qualifying income often differs from repayment income which represents the stable and dependable portion of income. Lenders who utilize GUS to assist with their underwriting will find the information automatically calculated under the “Eligibility” page of GUS.

2. **PITI ratio of 29.0 percent or less; Total Debt ratio of 41.0 percent or less**

   The Agency must review the lender’s ratio calculation and any ratio applicable waiver requests for manually underwritten loans. Written concurrence of the ratio waiver request by the Agency is represented when the lender is issued a Conditional Commitment for Loan Note Guarantee. If the loan was underwritten with the assistance of GUS and received an “Accept” underwriting recommendation, a ratio waiver request is not required. Lenders and Agency will refer to Chapter 11 of this Handbook for further guidance in approving ratio waivers for manually underwritten loans.

3. **Appraisal**

   All appraisals must comply with the current edition of the Uniform Standards of Professional Appraisal Practice (USPAP) available at www.appraisalfoundation.org. Approved lenders are responsible for selecting qualified appraisers that are licensed in the state in which the subject property is located. The appraisal report (for existing and proposed construction) must not be more than 120 days old at loan closing, meet the standardized definitions and responses for a key subset of appraisal data entry fields developed by Fannie Mae and Freddie Mac, known as the Uniform Appraisal Dataset, and must be completed using the appropriate form as follows:

   - Fannie Mae Form 1004 / Freddie Mac Form 70, “Uniform Residential Appraisal Report,” for all one-unit, single family dwellings;
   - Fannie Mae Form 1004C / Freddie Mac Form 70B, “Manufactured Home Appraisal Report,” for all manufactured homes;
   - Fannie Mae Form 1073 / Freddie Mac Form 465, “Individual Condominium Unit Appraisal Report” for all individual condominium units.
   - Fannie Mae Form 1004 MC / Freddie Mac Form 71, “Market Conditions Addendum,” for all property types.

   The Agency will review the appraisal by completing Form RD 1922-15, “Administrative Appraisal Review.” If the Agency reviewer detects concerns, the appraisal will be referred to an Agency licensed
appraiser for a technical desk or technical field review. Should the Agency licensed appraiser determine the appraisal is not adequate, the lender will be informed of corrections needed prior to issuance of the conditional commitment for loan guarantee.

Lenders will follow Section 12.5 B of Handbook Chapter 12 regarding appraisal updates.

Fannie Mae Form 1004D/Freddie Mac Form 442, “Appraisal Update and/or Completion Report” may be utilized by the lender to report the completion of a repair and/or satisfaction of requirements and conditions noted in the original appraisal report.

Refer to Chapter 12 of this Handbook for further guidance on the appraisal reporting process.

4. **Requirement: Rural Area Designation**

The Agency must review the maps of ineligible areas to determine if the property is located in an eligible rural area. Lenders may access the online property eligibility web site to determine a property’s eligibility at [http://eligibility.sc.egov.usda.gov/eligibility/](http://eligibility.sc.egov.usda.gov/eligibility/). Approved lenders who utilize GUS will automatically interface with the public website when completing property information on the “Eligibility” application page of GUS. In some cases, the property eligibility web site may not provide a final determination of property eligibility. Properties such as new construction may result in an inconclusive message. When this occurs, the Agency will make the final property eligibility determination.

5. **Environmental Review**

The lender must complete, or arrange for a contractor to complete, *FEMA Form 086-0-32, “Standard Flood Hazard Determination Form”* to determine whether the dwelling is located in a Special Flood Hazard Area (SFHA) in accordance with Section 4, Paragraph 12.10 of Chapter 12 of this Handbook. Existing dwellings for the SFHGLP are eligible if flood insurance through FEMA’s National Flood Insurance Program (NFIP) is available and flood insurance, whether NFIP, “write your own”, or private flood insurance, as approved by the lender, is purchased by the applicant. New construction in a SFHA may be eligible with additional documentation. The Agency will be unable to guarantee loans for new or proposed construction in a SFHA unless the lender obtains a Letter of Map Amendment (LOMA) that removes the property from the SFHA or Letter of Map Revision (LOMR) that removes the property from the SFHA or obtains a FEMA elevation certificate that shows that the lowest floor (including basement) of the dwelling and all related building improvements are built at or above the 100 year flood plain elevation in compliance with NFIP. The cost of flood insurance will be included in the applicant’s PITI. Flood insurance must cover the lesser of the outstanding principal balance of the loan or the maximum amount of coverage allowed under FEMA’s NFIP. Unless a higher maximum amount is required by state law, the maximum deductible clause for a flood insurance policy should not exceed the greater of $1,000 or 1 percent of the face amount of the policy. The Agency will perform an environmental review in accordance with RD Instruction 1940-G. Existing dwellings for the SFHGLP are eligible if flood insurance is available. Existing properties are not subject to the Agency’s

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requirements within RD Instruction 1940-G Exhibit C. Additional requirements, in accordance with Chapter 12 of this Handbook may be required when a property is not served by a public sewer system. See Section 12.10B of Chapter 12 for additional information.

B. Agency Review of Lender’s Underwriting Decisions

The Agency generally does not review the content of a lender’s underwriting analysis as it remains the approved lender’s responsibility to underwrite loans to the SFHGLP. However, under limited circumstances, the Agency will review the lender’s underwriting decisions. When the Agency determines that a lender’s application must be reviewed more thoroughly, the Agency will notify the lender in writing. The goal of the additional review is to help the lender submit application packages that are acceptable on the first review. The maximum turn-around time, by the Agency, for review in these cases is not to exceed four business days. Lenders will receive official notification by the Agency when any delay beyond 4 business days for turn-around in response to a commitment request results. The Agency will review the lender’s underwriting decisions under the following circumstances.

1. Lenders who are new to the program

When a new lender is approved for participation in the program, the first few applications submitted will receive a thorough Agency review, including a review of the lender’s underwriting decisions. This extra care in review will ensure that the lender has a complete and accurate understanding of the Agency’s requirements, and that the decisions made by the lender’s underwriters accurately reflect the Agency’s expectations. The Agency will continue to review new lender underwriting decisions until the Agency is confident that the lender is performing satisfactorily. Generally, normal loan review will begin after submission of five acceptable loan packages. Additional training is provided when incomplete or deficient packages were submitted in the initial five loans.

2. Lenders working with funded buydown accounts

When a borrower receives a funded buydown and the ratios calculated at the note rate exceed the Agency’s requirements, the Agency will review the lender’s underwriting to ensure that justification for the buydown is adequate. Refer to Chapter 11, paragraph 11.5 of this Handbook for more details on a funded buydown.

3. Lenders that submit incomplete or inaccurate applications

If a lender submits incomplete applications or applications with conflicting information, the Agency may choose to review the lender’s underwriting to ensure that the lender understands the Agency’s requirements. Thorough reviews will continue until the lender demonstrates its ability to submit complete and accurate application packages on a regular basis. Generally, this would be after submission of five acceptable loan packages. Additional training is provided if the five packages continue to be incomplete with inconsistencies in data and documentation.
4. **Lenders with significant monitoring findings**

If, through monitoring or analysis of a lender’s default, foreclosure, and loss claims activity, the Agency finds the lender’s underwriting decisions have not been consistently sound and in line with the Agency’s expectations, the Agency may choose to review the lender’s underwriting until such analyses demonstrate the lender’s ability to adhere to the Agency’s policies.

C. **Conditions for the Loan Guarantee**

The lender does not need to submit their entire loan application file to the Agency for review. The lender should only submit those items listed in Paragraph 15.3 of this Chapter. Attachment 15-A provides lenders with an origination stack list to assemble the documents and submit their request to the Agency. Agency staff will determine if any conditions must be met for the loan to qualify for a guarantee. Provided the applicant(s) and all other proposed terms and conditions of the mortgage meet the eligibility requirements for a loan guarantee, the Agency shall approve the application for loan note guarantee by issuing a firm commitment setting forth the terms and conditions of the guarantee. Terms and conditions will be listed and issued to the lender on Form RD 3555-18 or Form RD 3555-18E (when submitted electronically).

15.6 **LENDER NOTIFICATION ON REQUEST FOR LOAN GUARANTEE**

The Agency should notify the lender of the results of a standard application review within two business days of receipt of the complete application package. In situations where the Agency is performing a more thorough lender review, the Agency must complete the review within four business days as outlined in Section 15.5 B. There are four possible results of the review, and the notification requirements vary depending on the results.

A. **The Request for a Loan Guarantee is Approved**

If the Agency review indicates the loan meets all program requirements, the Agency will agree to guarantee the loan, subject to the conditions provided on Form RD 3555-18 or RD 3555-18E (when submitted electronically). The Agency will inform the lender of the approval by mail or e-mail with Form RD 3555-18/18E after entering the application information into the Guaranteed Loan System. The commitment will expire in 90 days from issuance unless new construction is involved, which then the expiration date of Form RD 3555-18/18E will correspond with the projected completion of the construction. The expiration date of Form RD 3555-18/18E for new construction should not exceed one year from the issuance of the Conditional Commitment unless the State Director publishes a statement supplement to this Chapter to allow a longer term based upon special circumstances. One 90 day extension can be granted in accordance with Chapter 16 of this Handbook, provided circumstances beyond control are present.
B. The Agency Requires Additional Time to Complete the Review

In some instances, the Agency may require additional time to review specific issues. For example, if there is an indication that there may be environmental problems with the site, or if there appear to be abnormalities in the appraisal, Agency staff may need to consult with technical experts. In such cases the Agency will, within the stated review time frame, notify the lender in writing of the delay and provide a non-binding estimate of when a final decision is expected.

C. Return of Incomplete Applications

Lenders must ensure that the application requests are submitted in accordance with the instructions specified in the Attachment 15-A. A complete application request must contain all documents listed in Attachment 15-A. Lenders must ensure the documents are submitted in the stacking order noted with the first document in the bundle being the actual completed Attachment 15-A. An exception to the stacking order is the Appraisal Report, which for those lenders utilizing GUS will uploaded separately from all other documents. Lenders should submit only the identified document in the Attachment. If the application request is missing information that is required by the Attachment 15-A, the application request will be deemed incomplete and the Agency will return the application package to the lender. Complete applications are processed in date order by the Agency. Only complete application requests will be considered for processing by the Agency.

D. The Request for a Loan Guarantee is Denied

The loan guarantee request will be denied if the proposed loan fails to meet any program requirement or Agency staff cannot concur with a requested ratio waiver. The loan must be for an eligible purpose, an eligible rural property, to an eligible applicant, and underwritten by an Agency approved lender. If the application review indicates that any of these criteria have not been met, the Agency will notify the lender in writing of the reason for the denial, and will provide review and appeal rights as described in Appendix 3 of this Handbook. The Agency must capture data regarding the individual loan guarantee denial in the Agency’s GLS database.

15.7 AGENCY PROCESSING OF AN APPROVED REQUEST

Assuming that all conditions are met, Agency staff must complete Form RD 3555-18/18E. This form is used by the Agency to establish conditions for issuing the loan note guarantee. When sufficient room is not adequate on the form to note all conditions to the approved request, the Agency will utilize the online form in GLS known as Form RD 3555-18A Attachment to Form RD 3555-18/18E, “Conditional Commitment for Single Family Housing Loan Guarantee.” Form RD 3555-18/18E is completed by the Agency and the executed form is delivered to the lender electronically, typically via e-mail. At loan closing, the lender certifies to the items noted on the Form RD 3555-18/18E, including any attachments to the form, and submits it to the Agency with the loan closing documents. All conditions specified on this form and any attachment to the form must be met before the loan note
guarantee will be issued. Chapter 16 of this Handbook provides additional guidance in obtaining the Loan Note Guarantee.

Agency staff will input all required application information into the Guaranteed Loan System (GLS) prior to issuing a Conditional Commitment. Withdrawn and rejected decisions will also be recorded in GLS. Decisions involving a rejection of the lender’s request will trigger review and/or appeal rights as further outlined in Appendix 3 of this Handbook. The online GLS Help Guide located on the Agency’s GLS website can assist Agency users in creating a borrower, application and obligation page.

To the extent possible the Agency should segregate key responsibilities of the loan review, decision and data entry process when handling the lender’s request. If the state is unable to separate key responsibilities, the state should implement other methods to ensure misrepresentation, processing errors, or fraud do not occur by implementing compensating controls such as pre-loan closing second level reviews, etc. The states are charged with determining the best method to ensure control measures are in place and a method of recording those measures are maintained.

15.8 LENDER RESPONSE TO CONDITIONAL COMMITMENT

Once Form RD 3555-18/18E has been issued, the lender has three choices. The lender may accept the terms and conditions, decline the terms and conditions for loan guarantee, or request that the terms and conditions be altered. Any modifications to the terms and conditions should be agreed upon prior to proceeding to loan closing.

A. Accepting the Conditions

If the lender understands and agrees to accept the conditions listed on Form RD 3555-18/18E, no communication with the Agency is required until the lender is ready to request the loan guarantee. With this option, the lender is agreeing to close the loan for an amount equal to or less than the amount stated on Form RD 3555-18/18E, at the rate of interest specified (or less) and within the conditions recorded. The lender must meet the conditions, draw the loan documents, close the loan, and return the executed Form RD 3555-18/18E with the loan-closing package.

B. Declining the Conditions for Loan Guarantee

If the lender determines that the terms and conditions stated on Form RD 3555-18/18E cannot be met, that the loan guarantee is not needed, or that the loan will not go to closing for some reason, the lender must inform the Agency by phone or in writing as soon as possible. Until the Agency is notified that the loan guarantee will not be needed, the funds for that loan request are set aside for the transaction pending and cannot be made available to assist other eligible applicants.
Upon being informed that the lender intends to decline the conditions for loan guarantee, Agency staff will cancel the loan guarantee obligation by updating the information in the Guaranteed Loan System. This will release the committed funds for reallocation to a new commitment.

C. Requesting Changes in Conditions

If the lender wishes to change the loan amount or interest rate on the loan, or if the lender believes that there are reasons that the conditions and requirements the Agency specified on Form RD 3555-18/18E should be altered, the lender can contact the Agency and propose an alternative. The request must be made in writing and must not affect the eligibility of the loan for the program. If the change will increase the interest rate or loan amount, the request must include documentation that the ratios and interest rates are still within program requirements. Modifications to the loan amount once the Conditional Commitment has been issued require updated credit documentation as follows: a signed copy of the mortgage loan application bearing the correct loan amount; a newly executed Form RD 3555-21 with modifications; and an updated underwriting analysis. If the loan was underwritten with the assistance of GUS, for changes that adversely affect the application, the loan will be de-obligated in GLS by the Agency, the application will be deleted from GLS, the GUS application reinstated and then released to the lender for correction. The Agency may refer to the Employee GUS User Guide on the Agency’s SharePoint website for further assistance.

The Agency will return a decision in accordance with Section 15.4 of this Chapter. If the Agency accepts the change, the lender must attach the Agency’s written modification to the existing RD 3555-18/18E to be retained in the lender’s loan origination file. If the Agency approves an increased loan amount or interest rate, the Agency must update the obligation of funds screen in GLS and issue a new Form RD 3555-18/18E.
**ATTACHMENT 15-A**

**Guaranteed Rural Housing**

**Origination Stacking Order Checklist**

**Lender Instructions:** Submit the identified documents in the order noted with the first document in the bundle being this Attachment. Submit only the identified documents. Include complete documentation for the specific file type identified to ensure an effective file flow. Documents must not exceed the maximum allowable age set forth in 7 CFR 3555 Handbook. Rural Development will consider all documents submitted as the certified and true copies of the original documents retained in the lender’s permanent file. Electronic delivery to Rural Development is the preferred method. See electronic delivery information by state [https://usdalinc.sc.egov.usda.gov/RHShome.do](https://usdalinc.sc.egov.usda.gov/RHShome.do). In the subject line identify the case by: Loan Origination: Borrower Last Name, First Name

<table>
<thead>
<tr>
<th>General Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant(s):</td>
</tr>
</tbody>
</table>

**File Stacking Order Checklist**

Guaranteed Underwriting System (GUS) - Underwriting Recommendation: ACCEPT

Please stack the credit package in the following document order:

- **Form RD 3555-21, “Request for Single Family Housing Loan Guarantee**
  
  **Note:** Must be fully completed and executed by all applicants and lender. Must include income worksheet pages.

- **Final GUS Underwriting Findings and Analysis Report**
  
  **Note:** Last final submission to be printed, retained in lender’s permanent loan file.

- **FEMA Form 086-0-32, “Standard Flood Determination Form”**
  
  **Note:** New construction properties located in 100-year flood plains will require additional documentation. Confirmation the base flood elevation (BFE) is below lowest floor of subject.

- **Evidence of qualified alien (If the applicant is not a US citizen)**

- **Credit Report, Non-Purchasing Spouse (If the applicant or property is in a community property state – AZ, CA, ID, LA, NV, NM, TX, WA, WI)**

- **Uniform Residential Appraisal Report (URAR)**
  
  **Note:** 1004 MC (Market Conditions Addendum) must be part of report.

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## File Stacking Order Checklist

Manual Underwriting, GUS Refer/Refer with Caution Underwriting Recommendation,
GUS Accept if Quality Control Lender Message on GUS Underwriting Findings and Analysis Report

Please stack the credit package in the following document order:

<table>
<thead>
<tr>
<th>Document</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Form RD 3555-21, “Request for Single Family Housing Loan Guarantee</strong></td>
<td>Note: Must be fully completed and executed by all applicants and lender. Must include income worksheet pages.</td>
</tr>
<tr>
<td><strong>Final GUS Underwriting Findings and Analysis Report, if applicable</strong></td>
<td>Note: Last final submission.</td>
</tr>
<tr>
<td><strong>Underwriting Analysis, confirmed and executed by Underwriter (FNMA 1008/FHLMC 1077 or similar)</strong></td>
<td>Note: Include credit waiver and/or repayment ratio waiver request in comment section. A GUS ACCEPT with quality control message does not require credit or repayment ratio documentation/justification. Include supporting documentation when credit package includes a buy down.</td>
</tr>
<tr>
<td><strong>Uniform Residential Loan Application (URLA – FNMA 1003/FHLMC 65)</strong></td>
<td>Note: URLA must be executed by the interviewing lender and applicant(s).</td>
</tr>
<tr>
<td><strong>Income Verification Documentation: For all household members</strong></td>
<td>Verification of Employment (VOE) + (1) earning statement OR verbal VOE + (2) earning statements (30 days) + W-2’s (2 years) OR computer generated verification + W-2’s (2 years) + verbal VOE Self-Employment: income tax returns/ all schedules (2 years) + profit / loss, balance and income/expense statements Child support, pensions, disability, Social Security, retirement annuity award(s)</td>
</tr>
<tr>
<td><strong>Tax return information as a result of IRS 4506-T: Request for Transcript of Tax Return</strong></td>
<td>Note: Required for all adult members of the household</td>
</tr>
<tr>
<td><strong>Asset Verification Documentation: For all household members</strong></td>
<td>Verification of Deposit, bank statements, gift letter etc.</td>
</tr>
<tr>
<td><strong>Credit Report, Non-Traditional Report and all credit supplements, as applicable</strong></td>
<td>Note: Include adverse credit explanation and documentation used in credit waiver.</td>
</tr>
<tr>
<td><strong>Credit Report, Non-Purchasing Spouse (If the applicant or property is in a community property state – AZ, CA, ID, LA, NV, NM, TX, WA, WI)</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Verification of Rent, as applicable. See Section 10.13 of Chapter 10 for further guidance.</strong></td>
<td>Note: Applicable to manually underwritten loans with credit scores less than 680. A GUS ‘Accept’ subject to a fully documented file does not require a Verification of Rent.</td>
</tr>
<tr>
<td><strong>FEMA Form 086-0-32, “Standard Flood Determination Form”</strong></td>
<td>Note: 1004 MC (Market Conditions Addendum) must be part of report.</td>
</tr>
<tr>
<td><strong>Sales Contract, all pages and amendments</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Evidence of qualified alien (If the applicant is not a US citizen)</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Uniform Residential Appraisal Report (URAR) – not applicable to Streamlined Refinance Product (FNMA 1004/FHLMC 70 or applicable Report)</strong></td>
<td>Note: 1004 MC (Market Conditions Addendum) must be part of report.</td>
</tr>
</tbody>
</table>
### Applicant Information

| Name: ___________________________________________ | Name: ___________________________________________ |

### Date

**Initials of Employee**

- Checked MortgageServ – Customer Cross Reference

### Conditional Commitment Request

Written documentation of the following must be submitted when requesting a Conditional Commitment for Loan Note Guarantee. GUS Underwriting Recommendations of “Refer” and “Refer with Caution” or an ‘Accept’ that is subject to full documentation will adhere to “Manual UW” requirements, except as otherwise noted.

**File Type:**
- **Accept**
- **FD**
- **Refer**
- **Manual**

**Underwriting for GUS Accept (subject to streamlined documentation as provided in Chapter 15), GUS Accept if Lender Quality Control message(s) (fully documented loan file) required of GUS Underwriting Findings and Analysis Report, GUS Refer/Refer with Caution Underwriting Recommendation or Manually Underwritten loans**

### Lender Request

- **Form RD 3555-21, Request for Single Family Housing Loan Guarantee**
  - Completed and executed by all borrowers and lender
  - Interest rate is locked. Lock date: ________________ Expiration Date: ________________
  - For locked rates, rate confirmed to meet §.3555.104
  - Date Agency confirmed: ________________ Interest Rate: ______________% Max Rate: ________________
  - Interest rate is floating. Condition for lock date.
  - Form includes Lender’s income worksheet: Yes ☐ No ☐ N/A ☐

### Lender Underwriting

**Underwriting Analysis**
- (FNMA 1008/FHLMC 1077 or similar)
  - Confirmed/executed by Underwriter
  - Adverse credit waiver and supporting documentation that meets Chapter 10 7 CFR 3555 Handbook? Yes ☐ No ☐ N/A
  - Verification of Rent? Yes ☐ No ☐ N/A [applicable to manually underwritten loans with credit scores less than 680.]
  - Evidence of compensating factors submitted by Lender? Yes ☐ No ☐ N/A
  - Ratio waiver reviewed and granted? Yes ☐ No ☐ N/A

**PITI Ratio ☐ TD Ratio ☐ Funded Buydown? Yes ☐ No ☐ Mortgage Credit Certificate? Yes ☐ No ☐**

### Final GUS Underwriting Findings Report

- as applicable
**Lender Credit Documentation**

<table>
<thead>
<tr>
<th>Uniform Residential Loan Application (URLA – FNMA 1003/FHLMC 65)</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Executed by the applicant(s)? ☐ Yes ☐ No</td>
</tr>
<tr>
<td>☐ Executed by interviewing lender? ☐ Yes ☐ No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Credit Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Tri - Merged ☐ RMCR ☐ Non-traditional and all credit supplements ☐ GUS</td>
</tr>
<tr>
<td>Non-Purchasing Spouse Credit Report: ☐ Yes ☐ No ☐ N/A</td>
</tr>
<tr>
<td>(If applicant or property in a community property state – AZ, CA, ID, LA, NV, NM, TX, WA, WI) (AK and PR under limited conditions)</td>
</tr>
<tr>
<td>☐ Within 120 days of loan closing</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Verification of Rent, as applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note: Applicable to manually underwritten loans with credit scores less than 680. A GUS “Accept” subject to a fully documented file does not require a Verification of Rent.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Income Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Within 120 days of loan closing (purchase existing)</td>
</tr>
</tbody>
</table>

**Income from employment:** ☐ Yes ☐ No ☐ N/A

| Full Documentation: Written VOE; most recent paystub with YTD earnings |
| Alt. Documentation: Verbal VOE; 30 days earning statements with YTD earnings (original or electronic copies); 2 years W-2’s or income tax returns |
| Income from other sources (examples not all inclusive): ☐ Yes ☐ No ☐ N/A |
| ☐ Social Security | ☐ Retirement | ☐ Child Support | ☐ Alimony |
| ☐ Commissions | ☐ Interest | ☐ Government Assistance | ☐ Other: ________________________________ |

**Income from self-employment:** ☐ Yes ☐ No ☐ N/A

| 2 years tax returns | ☐ Profit/Loss Stmt |
| Income from assets: ☐ Yes ☐ No ☐ N/A |
| ☐ Verification of Deposit | ☐ Bank Statements | ☐ Other: ________________________________ |

**Income from other adult members of the household:**

**Documentation of household income from other adult members:** ☐ Yes ☐ No ☐ N/A

**Documentation of tax return information as a result of IRS 4506-T, Request for Transcript of Tax Return**

| ☐ Yes | ☐ No |
| Note: Required for all adult members of the household. |

<table>
<thead>
<tr>
<th>Agency’s Summary of Income Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td># Household Members _____________</td>
</tr>
<tr>
<td>Maximum Adjusted Household Income for County: $</td>
</tr>
</tbody>
</table>
### Agency’s Summary of Income Calculation, continued

<table>
<thead>
<tr>
<th>Lender Calculations</th>
<th>Agency Calculations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Household Income</td>
<td>$__________</td>
</tr>
<tr>
<td>Adjusted Annual Household Income</td>
<td>$__________</td>
</tr>
<tr>
<td>Repayment Income (Monthly)</td>
<td>$__________</td>
</tr>
<tr>
<td>Monthly Mortgage Credit Certificate</td>
<td>$__________</td>
</tr>
<tr>
<td>PITI: $ _______</td>
<td>Annual Fee: $ ________</td>
</tr>
</tbody>
</table>

Income Category: □ Very-Low | □ Low | □ Moderate

### Agency’s Validation of Eligible Household Income Calculation, as applicable

This document will become part of the permanent Rural Development file as a retained essential document.

### Agency’s Validation of Repayment Income Calculation, as applicable

This document will become part of the permanent Rural Development file as a retained essential document.

### Evidence of qualified alien (If the applicant is not a US citizen): □ Yes □ No □ N/A

□ Confirmed applicant(s) is a qualified alien (if applicable) □ SAVE. □ CIS □ Other: ________________________

### Property Information:

**Uniform Residential Appraisal Report (URAR)**

FNMA 1004/FHLMC 70 [Not applicable to streamlined refinance]

□ URAR contains 1004 MC (Market Conditions Addendum)

□ Within 120 days of loan closing.

Construction Type: □ On-Site | □ Modular/Panelized | □ Manufactured

Estate Type: □ Fee Simple (non-reservation) | □ Allotted Land | □ Tribal Trust Land

□ Individual Trust Land | □ Leased land (non-tribal) | □ Fee Simple (on a reservation)

Project Type: □ Condo | □ PUD | □ COOP | □ N/A

Structure Type: □ Attached | □ Detached

### Property Information, continued

Appraisal Company/Appraiser Name: __________________________________________

Property Address: __________________________________________________________

Date of Appraisal/Date Received: ______________________________

Appraised Value: $__________ □ As-is □ As improved □ Max Loan Amount: $__________

Land Value $__________ Dwelling Age ________________

Living Area Sq Ft ________________ Lot Size Sq. Ft ________________ or

Lot Size Acres ________________

Community □ 10,000 or less □ Over 10,000

□ Existing Property:

□ Meets HUD handbooks OR □ Full Home Inspection

□ New Construction:

The lender’s permanent file must contain evidence that plans and specs comply with development standards.

The lender’s permanent file must contain evidence that inspections and an acceptable warranty have been obtained.

**Note:** The Agency has the option to request this information from the lender in appropriate situations (i.e. review of new lender, compliance review, loss claim, etc.)
**Other Inspections Required:**

- Septic | Well | Termite [check if applicable]

**Note:** Other inspections, as applicable, to be retained in lender’s permanent case file if the appraiser, inspector or state law requires a third party inspection.

**Other Property Features:**

- Energy-efficient | Yes | No

- FEMA Form 086-0-32, Standard Flood Determination Form

Dwelling located in 100-year flood plain | Yes | No

**Note:** Elevation Certificate or comparable required to determine BFE if new construction and located in flood plain. The elevation of lowest floor must be at or above 100-year flood plain for new construction and subject to further review.

**Sales Contract**

Signed Purchase Agreement or Earnest Money Agreement

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The Rural Development review will consist of the following actions when a lender requests a Conditional Commitment for Loan Note Guarantee.

- **Form RD 1922-15, Administrative Appraisal Review for Single Family Housing**
  - N/A [not applicable to streamlined refinance – no appraisal required]
  - Completed by Loan Approval Official.

- **Form RD 1940-22, Environmental Checklist for Categorical Exclusions**
  - N/A [Typically N/A for refinance transactions]
  - Completed by Loan Approval official prior to Conditional Commitment when eligible for categorical exclusion.

- **Form RD 1940-21, Environmental Assessment for Class I Action**, as applicable.
  - N/A [Typically N/A for refinance transactions]
  - Completed by Loan Approval official when ineligible for categorical exclusion.
  - Examples (not inclusive) of protected resources requiring preparation of Form RD 1940-21:
    - floodplains |
    - coastal barriers |
    - historic properties |
    - wilderness |
    - wetlands |
    - Coastal Zone Management

- **Rural Development Decision – Approved, Denied, Withdrawn**

  - **Approved** - Prepare Form RD 3555-18/18E
    - Date of Form RD 3555-18/18E, Conditional Commitment for Loan Note Guarantee: ____________
    - Notified Lender by: E-Mail or Electronic Workflow, as applicable
    - Approved application uploaded from GUS or GLS populated manually

  - **Denied** - Prepare denial letter with applicable appeal rights.
    - Date of letter with applicable appeal rights: ____________
    - Approved application uploaded from GUS or GLS populated manually

  - **Withdrawn** – Lender requested Conditional Commitment for Loan Guarantee is withdrawn.
    - Date withdrawal occurred: ____________
    - Approved application uploaded from GUS or GLS populated manually

- **RHS Approval /Denial Official:** _________________________________________

---

**GUS/GLS Processing Steps by Rural Development**

The following steps must occur to update the data warehouse. The steps apply to approved, denied or withdrawn applications.

- **Complete the Borrower Maintenance page in GLS**
  - **Note:** If the loan was a final submission underwritten with the assistance of GUS, the Borrower Maintenance Screen will be automatically completed unless the borrower is already established in GLS.

  - Establish the borrower(s) in GLS. Complete for each borrower.
Complete the Add Application page in GLS.

- **GUS Loans:**
  - Complete the USDA Administration page. Save the page. Submit the application to GLS.
- **Non-GUS Loans:**
  - Complete the Add Application page in GLS.

  *Note:* The CAIVRS service will automatically populate each borrower’s CAIVRS confirmation #.

Complete the Obligation Request page in GLS

- **Date of Obligation in GLS:** ________________ (GLS 1A obligation transaction processed)

The following documentation must be received and steps completed to issue a Loan Note Guarantee.

**Form RD 1980-19, Guaranteed Loan Closing Report**

- **Date Loan Note Guarantee request received:** ________________
- **Date of Loan Closing:** ________________

  - ** Loan closed for amount of commitment:** Yes  No
  - ** Loan closed for interest rate on commitment:** Yes  No

  *Note:* This form is not required for lenders utilizing the Automated Lender Loan Closing system

If No, determine if rate was floating at issuance of commitment. Obtain documentation of lock date and confirm rate meets §3555.104. Loans closing at a higher rate than the rate provided on Form RD 3555-18/18E will require additional information.

**Lender Certification – Continuing pages of Form RD 3555-18/18E**

- **Completed and executed by lender after closing.**

**Documentation of Conditions**

- **Documentation of date interest rate locked (if floating), as applicable**
- **Confirmation of escrow development completion, as applicable**

  *Note:* Loan Note Guarantee may be issued if escrow established in accordance with §3555.202.

Documentation other conditions are met Yes  No

**Promissory Note**, copy or uploaded as an individual document for Automated Lender Loan Closing system:

- **Yes**  **No**

**HUD-1 Settlement Statement**, copy of final or uploaded as an individual document for Automated Lender Loan Closing system:

- **Yes**  **No**

Confirm all credit documentation is within acceptable time frames. Yes  No

**Issue Form RD 3555-17/17E, Loan Note Guarantee**

- **Date Loan Note Guarantee Issued:** ________________

  *Note:* Upload document through GLS Data-Filled forms page for lenders utilizing Automated Lender Loan Closing system.

  - **Approval Official Issuing LNG:** _____________________

  - **Notified Lender by:** E-Mail  Work-flow notification of Lender Loan Closing (LLC)
The following collection steps are required to process guarantee fees when paper checks in lieu of a PAD is received. Collections must be secured in a fire-proof locked safe. Collections greater than $100 must be processed daily.

<table>
<thead>
<tr>
<th>Form RD 451-2, Schedule of Remittances</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note: This form is not required for lenders utilizing the Automated Lender Loan Closing system.</td>
</tr>
<tr>
<td>Online fill-able form available.</td>
</tr>
<tr>
<td>Guarantee Fee Collected: $______________</td>
</tr>
<tr>
<td>Guarantee Fee on commitment: $______________</td>
</tr>
</tbody>
</table>

Fee must be within $10.00 to process Loan Note Guarantee request for those LNG requests submitted without assistance of Automated Loan Closing system. To process a fee that differs by $10.00 or less, over type the defaulted fee on GLS Add Loan Closing page.

<table>
<thead>
<tr>
<th>Form RD 1951-49, Register of Collections</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note: This form is not required for lenders utilizing the Automated Lender Loan Closing system.</td>
</tr>
<tr>
<td>Online fill-able form available.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Form RD 1951-60, Field Office Remittance Reconciliation Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note: This form is not required for lenders utilizing the Automated Lender Loan Closing system.</td>
</tr>
<tr>
<td>Online fill-able form available.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Submit collection(s) to the WLB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note: This form is not required for lenders utilizing the Automated Lender Loan Closing system.</td>
</tr>
</tbody>
</table>

Checks must be made payable to USDA or Rural Development.

Mail WLB collections to:
USDA – Rural Development
Wholesale Lockbox
P.O. Box 790391
St. Louis, Missouri 63179-0391

The following steps are required to process and close the loan in the data warehouse once the Loan Note Guarantee is issued.

<table>
<thead>
<tr>
<th>GLS Loan Closing Transaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete the Add Loan Closing page in GLS.</td>
</tr>
<tr>
<td>Note: Lenders utilizing the Automated Lender Loan Closing system will partially complete the page. The Agency will confirm information and documentation prior to final submittal to GLS.</td>
</tr>
</tbody>
</table>

1) If the interest rate changes from commitment, the interest rate established in GLS may be changed by over-typing the field for manually underwritten files. Lender must establish continued eligibility. Files who utilize GUS must be resubmitted to GUS if adversely affected.
2) Ensure the interest rate on the Add Loan Closing screen is updated and is accurately represented. The interest rate must mirror that of the note to obtain a correct annual fee schedule.
3) Process changes to the loan amount PRIOR to submitting the Add Loan Closing page. Lenders who utilize the Automated Lender Loan Closing (LLC) can complete a partial de-obligation of loan funds prior to submitting the request for LNG.
4) For PAD transactions (lenders who submit fees via pay.gov) – do not alter or attempt to modify the guarantee fee in GLS.
5) For non-PAD transactions (check received) – the guarantee fee can be modified to accommodate the amount of fee actually paid. This amount must be within $10.00 of the default fee in GLS.

This document will become part of the permanent Rural Development file as a retained essential document in accordance with Chapter 2 of the HB-3555.
<table>
<thead>
<tr>
<th>Common Conditions to Conditional Commitment Checklist:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Floating Interest Rate</td>
</tr>
<tr>
<td>Final Signed Loan Application</td>
</tr>
<tr>
<td>New Construction</td>
</tr>
<tr>
<td>Septic</td>
</tr>
<tr>
<td>Well</td>
</tr>
</tbody>
</table>

Full Documentation File or Other Comments

(03-09-16) SPECIAL PN