

Loan Packaging Express

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Building Strong Partnerships



Fiscal Year (FY) 2019 was a success and the same is expected for FY 2020. We are very excited to have obligated the entire \$1 billion in 502 Direct Loan funds, helping more than 6,100 American families achieve the dream of homeownership. Obligations submitted via the application packaging process (including Self Help)

increased significantly from \$213.2 million in FY 2018 to \$236.5 million in FY 2019.

In September, I attended the NeighborWorks America, Reclaiming Appalachia Conference in Knoxville, Tenn. where I had the pleasure of presenting an award to Fahe for their great work as an intermediary and application packager. We value our relationship with the application packager community and are committed to working with you to increase efficiencies in the process.

Thanks for your support of USDA Rural Development Single Family Housing Programs. If you have ideas on how we can improve the application packaging process, please feel free to email me at cathy.glover@usda.gov, or contact any member of the Single Family Housing Direct Loan team.

Cathy Glover

Assistant Deputy Administrator
USDA Single Family Housing Programs



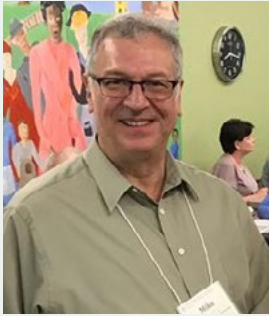
The USDA Rural Development “Direct Loan Application Packagers” website: <https://www.rd.usda.gov/direct-loan-application-packagers> provides information related to upcoming certified loan packager trainings, USDA program trainings, access to an intermediary coverage map, and other valuable resources. Be sure to bookmark and visit the site often to check for updates!

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Training Spotlight

Strong partnerships are critical to the success of the 502 Direct certified loan application packaging process. A good example of this is the cooperation between Agency staff and nonprofits to conduct certification classes across the country throughout the year. For many of the trainers, this is an additional duty for which they volunteered. Many hours are spent developing course materials, prepping sessions, and monitoring testing results. We'd like to highlight the work of three of the certified trainers:



Michael Feinberg is a Senior Policy Analyst, Research and Information Division at the Housing Assistance Council (HAC). In this capacity, he conducts research and develops various HAC information products as well as prepares technical and analytical information on proposed federal regulations and legislation related to housing conditions and

the needs of low-income rural residents. Before joining HAC, Mike was a Branch Chief in the Single Family Housing (SFH) Direct Loan division, where he managed USDA's 502 Direct Loan Program. With more than 30 years of affordable housing experience, Mike has a vast knowledge of program requirements and the challenges of affordable housing. Mike decided to become a trainer because he believes that the 502 Direct Loan Program is an important tool for affordable housing in rural areas. With the changes in USDA staffing levels, the role of loan packagers is becoming more and more important.



Stephanie Kelnhofer has 33 years of experience with Rural Development programs. For the last eight years, she has served as the lead SFH specialist for the 502/504 Direct Loan Programs in Wisconsin where she trained new employees and developed/ revised course curricula and exams for those specialists

seeking loan approval authority. Stephanie has been part of the training team for the last year and indicates that she enjoys presenting because it gives her the opportunity to share her years of acknowledge with individuals and organizations who share her passion for affordable housing for everyone.



Leah Taylor started in the private sector as a loan officer and branch manager for mortgage companies in Mississippi. She came to Rural Development in Alabama in 2005 as a SFH technician, then as a Loan Approval Official, and now serves as a SFH State Office specialist. She has been actively involved in the Agency's National

Association of Support Personnel (NASP) and served as vice president, where she supported many recommendations for program changes and streamlining measures. Leah wanted to participate as a trainer because of her desire to see the program continue to grow through packaging. She said: "With less staff in the field, there is a greater need for help to promote the program and package applications for the local offices."

Over the past year, Leah and Stephanie have co-trained with Mike for several HAC sponsored trainings. Course participants said: "Good training and I would recommend to coworkers and Agency partners" and "Overall, the training was very informative; and the instructors were very knowledgeable about the subject matter. I look forward to applying what was taught in the course." Mike Feinberg indicated, "We appreciate all of the comments from attendees including the constructive criticisms which help us to improve the delivery of the training."

Michael Feinberg, Senior Policy Analyst, Research and Information Division, Housing Assistance Council

Stephanie Kelnhofer, Specialist, USDA

Leah Taylor, Specialist, USDA

Tammy Repine, Finance and Loan Analyst, USDA



Upcoming Confirmed Certified Loan Application Packager Trainings

Tuesday, March 10 – Thursday, March 12, 2020
by Housing Assistance Council
in Glen Allen, VA

Monday, May 18 – Wednesday, May 20, 2020
By NeighborWorks America
in Los Angeles, CA

504 Packaging

I'm sure you have heard of the great ways USDA can provide Section 504 loan repair opportunities to folks across rural America. We have the potential to serve more applicants with this program with some much-needed assistance from packagers. Inquisitive minds are likely asking "What is a packager?" I'm glad you asked! A packager for the 504 Loan Program can be a public or private non-profit organization that is tax exempt under the IRS code. 504 program packagers need not be certified. Essentially a packager has a partner relationship with the Agency to submit application packages to the Agency. Any qualified organization interested in packaging is welcome to explore this opportunity with their state office.

We would love to start building these relationships! Did I mention each qualified package is eligible to receive a fee of up to \$750 upon closing? This fee can be incorporated into the applicant's loan as an eligible expense if the organization is an eligible packager. This is a great opportunity to increase our partnerships and to assist an increasing number of rural applicants in improving their quality of life. For more information on our programs or qualifications for packaging, please contact your respective state office using this link: <https://offices.sc.egov.usda.gov/locator/app?state=us&agency=rd>

Myron Wooden

Special Programs/New Initiatives
Chief, USDA

"Thumbs up" for Homeownership

Paulina Castillo de Delgado, a tenant of NeighborWorks Southern New Hampshire (NSNH), walked into our Manchester office on a Friday afternoon before a Saturday homebuyer seminar that was full, to ask if she could be considered to attend the seminar. Without hesitation, we gave her a "thumbs up." Paulina eagerly arrived to class, ready to learn. Because English is her second language, NSNH's Spanish speaking instructor and counselor were extremely beneficial for her. She immediately scheduled a one-on-one counselling session within two weeks of attending the seminar.



Paulina is a single woman in her 50's and is employed as a school custodian. She has worked very hard throughout her life, has an excellent credit history, and has also been able to save towards owning a home. During coaching sessions, her counselor determined she would not likely qualify for a conventional loan; however, she qualified for a 502 Direct Loan and was able to purchase a home. The 502 Direct mortgage enabled her to finance 100 percent of the purchase price with an extended 38-year term and fully subsidized rate.

Since NSNH is an intermediary and certified packager for our local USDA Rural Development office, Paulina worked directly with a Homeownership Counselor to apply for her mortgage and we assisted her with the application process. She received her "thumbs up" for homeownership when she was approved by Rural Development for a loan to purchase her new condominium in Allentown, N.H.

Paul McLaughlin

Homeownership Program Director
Neighborworks Southern New Hampshire

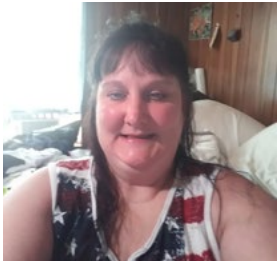


We would appreciate hearing from you. If you have a success story that highlights the benefits of packaging for the 502 or 504 programs, please contact Tammy.Repine@usda.gov.



Did you know that you can use the [Single Family Housing Eligibility Assessment tool](#) as a way to conduct a pre-eligibility assessment? Simply select an assessment type (build, purchase an existing home, or refinance) then complete the information as prompted. Once an assessment is completed, it can be saved/amended at a later date.

A New Start on Life



When Amy Miele reached out to NeighborWorks Umpqua (NWU) she knew there must be a way for her to move past her substandard housing situation and into a home that was healthy, safe, and affordable, but she just didn't

know what steps to take. The 502 Direct Loan Packaging Program at NWU is keenly focused on meeting the needs of its customers, educating them on the entire process, and providing the necessary cheerleading it takes to remain focused on the goal. In July 2019, NWU was able to help Amy realize her dream of homeownership by packaging her application and assisting her with a \$1,000 grant for down payment assistance. Rural Community Assistance Corporation acted as the intermediary and completed a quality assurance review before the application was submitted to Rural Development.



Upon receiving her loan, Amy said, "NeighborWorks Umpqua helped me achieve my lifelong goal of owning a home. They are giving me and my children a new start on a life of stability and success. They help me leap and see goals I never thought possible. Thank you NeighborWorks."

Paul Yturriago

Rural Community Assistance Council (RCAC)

Contact Us

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www.rd.usda.gov
[Single Family Housing](#)
[Direct Home Loan Program](#)
[RD Regulations and Guidance](#)



For coverage and contact information, please visit the [Single Family Housing Intermediary Map](#).