



Creating Efficiency with New GUS – Question and Answer from Live Training

- 1) The expiration date on the conditional commitment is longer than 30 days? Don't we have longer time to submit for LNG?**

The information on the slide from the training dated June 17, 2021 was incorrect and will be corrected when posted to the LINC Training and Resource Library. The RD Form 3555-18, "Conditional Commitment for Guarantee" is valid for 90 days and may be extended for one 90- day period. The lender must submit their request for the LNG within 30 days of loan closing.

- 2) When you say send errors in GUS to the helpdesk, what is the helpdesk contact info?**

The GUS Help Desk can be reached by email at RD.HD@STL.USDA.GOV or by phone at **800-457-3642**, select option 2 (USDA Applications); then select option 2, again (Rural Development). Contact information for all SFHGLD program areas can be found on the [SFHGLP contact list](#) link near the top of the LINC library website: [LINC Training and Resource Library](#).

- 3) What is response time of the help desk?**

The Help Desk is currently working on a 48 hour turn time; however, resolution may take additional time depending on the complexity of the question or issue.

- 4) Can you provide the email address for our organization to receive help? It was shown on your last page.**

Contact information for all SFHGLD program areas can be found on the [SFHGLP contact list](#) link near the top of the LINC library website: [LINC Training and Resource Library](#).

- 5) Where do I sign up for notifications of changes/updates?**

Sign up for GovDelivery Notices at the bottom of the [LINC Training and Resources Library](#) webpage.

- 6) What is the new link to GUS?**

Access New GUS from the USDA "LINC Lender Interactive Network Connect" webpage: <https://usdalinc.sc.egov.usda.gov/RHShome.do> and click on the link for "Guaranteed Underwriting System (GUS)" under the "Single Family Guaranteed Rural Housing" heading. Do not save the direct link to GUS in your favorites, save the LINC webpage to your favorites.

- 7) **Where do we find guidance on how to submit a loan to USDA once the underwriting process is finished? It has been some time since I have submitted a GUS file.**

Online lender training modules are available on the [Lender Training](#) webpage of the USDA LINC Training and Resource Library. Please refer to the module “Hot Tips for Successful Loan Submissions” for specific instruction on this topic.

- 8) **Do we still send a streamline refinance GUS submission through e-mail?**

Yes, streamlined-assist refinance submissions and files submitted under the Manufactured Home Pilot Program are currently not supported in GUS and must be submitted manually via email. A portion of the application should still be input, and documents uploaded into GUS. Please follow the following steps for manual loan files entered in GUS that will not be submitted for final underwriting in GUS.

What do I need to do?

To improve processing times, protect the applicant’s information, and respond to lenders as quickly as possible, please follow the 2-Step instructions below to upload documents directly into New GUS, even if the file will not be final submitted via GUS.

STEP 1: Required New GUS Entries

In New GUS the lender will enter, at a minimum, the following items:

- a. **“Eligibility” Page** - Enter the following data points:
 - Subject Property Address (Street)
 - Subject Property Address (City)
 - Subject Property Address (State)
 - Subject Property Address (County)
 - Subject Property Address (MSA)
 - Subject Property Address (Zip Code)
 - Household Income
- b. **“Borrower” Page** – Enter the following data points for at least one applicant:
 - Borrower First Name
 - Borrower Last Name
 - Borrower Social Security Number
- c. Upload all required documents as noted on *Attachment 15-A HB-1-3555*.

STEP 2: E-mail the Appropriate OPD Team

Once the lender has uploaded all the required documents into New GUS, the lender will need to email the appropriate OPD email box (see below) to notify the Agency that the application has been submitted. The email should include this information so that we can locate the documents in New GUS:

- GUS ID#
- Applicant’s Name

- Property Address

This email along with submission of required documentation will constitute the date of file submission and will assist OPD staff expedite loan processing.

<u>Production Teams</u>	<u>States</u>
<u>Production Team One</u> SFHGLPONE@usda.gov	AK, AL, AZ, CA, CO, GU, HI, IA, ID, KS, MT, NM, NV, OR, SD, TX, UT, WA, WI, WP, WY
Production Team Two SFHGLPTWO@usda.gov	AR, KY, LA, MN, MO, MS, ND, NE, NJ, NY, OK
Production Team Three SFHGLPTHREE@usda.gov	CT, DE, GA, IL, MA, MD, ME, MI, NC, NH, RI, SC, VT, WV
Production Team Four SFHGLPFOUR@usda.gov	FL, IN, OH, PA, PR, TN, VA, VI

9) In New GUS, what is different about the upload process?

The Document upload process is similar to Legacy GUS. Select the “Documents Tab” in the application, select the type of document you are uploading then upload it into GUS.

10) Can you go over importing liabilities again?

Liabilities are no longer populated into GUS when credit is pulled in your LOS. You can populate liabilities in your LOS, THEN import the file WITH liabilities into GUS. If it is not done in this order, you will have to manually input the liabilities into GUS. When credit is updated in GUS after being imported from the LOS, it will require that you manually update or input any changes, it does not automatically upload the new information.

11) Do you have to upload the GUS Findings and credit report with final submission since it’s in the system?

It is no longer necessary to upload the “GUS Underwriting Findings Report” nor the credit report with the final submission. Please note that liabilities belonging to a non-purchasing spouse (NPS) must be entered manually into GUS and the credit report included with the submission.

12) Is Handbook 3555 Attachment 15-A being updated, as it does request the Final GUS & Credit report?

Attachment 15-A was updated in March 2021 and no longer references the GUS Underwriting Findings Report. The credit report may be required documentation when the file includes a non-purchasing spouse (NPS) or as an option to verify mortgage/payment history.

13) Are you going to allow for the FNMA 3.2 file to import loans like the old legacy GUS system?

No, the FNMA 3.2 File no longer complies with mortgage industry standards (MISMO) for government sponsored enterprises (GSE).

14) Is there training geared toward uploading your FNMA 3.2 file and running GUS for prequal's?

GUS no longer accepts files in the FNMA 3.2 format since it does not comply with mortgage industry standards (MISMO) for government sponsored enterprises (GSE).

**15) How do you request a loan be released for changes once final submission has been made to USDA?
What is the anticipated timeframe for the loan to be released?**

If the agency has already processed the application, the lender must request the release by emailing the Production Team responsible for applications from your state. Please include the applicant's name, property address, and USDA Borrower ID, as well as your contact information. Files are generally released within 24 hours. For applications that have not yet been processed by the agency, lenders may release the application back to themselves. Please refer to Question #21 for guidance pertaining to this scenario.

16) If the borrower is obtaining a first loan and a down payment assistance loan, then on the disclosure tab do we answer "C" as yes or no?

You should answer NO, because the down payment assistance will be disclosed on the Loan and Property Information Tab, if it is not, then that is where you would disclose it.

17) For other credits, the only "other" options are borrower paid fees and lot equity. How do you guys want us to enter other credits such as tax prorations or HOA charges?

Tax prorations are entered as a seller credit. This will not count toward the 6% interested parties cap. Any amount entered as "seller credit" will trigger this finding in GUS: "60027 - Interested Party Contribution Cap: Seller or other interested party contributions towards closing costs in excess of six percentage points are prohibited in accordance with HB-1-3555 Chapter 6.2 (some exclusions may apply)." This is not meant to indicate the interested party contribution has exceeded the cap. It is meant to alert the lender to review the contributions to ensure they are eligible and within the cap.

18) When we are submitting to USDA for commitment, do we label it as underwriting or request for guarantee?

You can label it as either.

19) Will New GUS be sending e-mail notice that the CC has been issued or will we always need to go back to look?

A notification will be sent to the individual(s) listed in GUS as contact. Therefore, it is important for lenders to provide current contact information with each loan request.

20) Can we only run GUS on a real loan? It does not allow us to use it for prequalification situations.

GUS can be used as a prequalification tool. With the property address and household income information, GUS will determine rural area and income limit eligibility. The applicant's credit history will be evaluated by GUS once a valid credit report is associated with the application in GUS. This will result in a preliminary underwriting recommendation.

21) Where is the button you are referring to that can be used to release the loan if it was submitted for final and not yet reviewed by RD?

The "Recall Final Submission" pushbutton is available on all application pages when the loan is in a "Final Submission" status and an "Application Status" equal to "Pending" (i.e. USDA has not taken action on the loan application). Only users with a security role that permits final submission will see the "Recall Final Submission" pushbutton.

22) Can we send more than 1 credit pkg upload when you have a manual underwrite on one loan?

Submissions should be comprised of at least 2 complete files containing all documentation as itemized on Attachment 15-A, "Loan Submission Checklist" and an appraisal with color photos. Documentation may be uploaded individually as well, but submissions with fewer uploads to open take less time for agency personnel to review, resulting in faster turn times.

23) I was told that only one credit package is allowed and requires the package to be compressed?

It is helpful for large credit packages submitted via email to be compressed. Documents uploaded into GUS should be submitted in as few files as possible. Fewer uploads to open by agency staff result in faster turn times. It is recommended that the appraisal with color photos is always uploaded separately from all other documents.

24) Can more than one underwriter upload credit documents when lenders send in for a manual underwrite?

Credit documents for manually underwritten loans should be submitted by one individual to ensure that documents are not duplicated and that documents are the most current and updated available.

- 25) We pull a refresh credit report within 10 days of settlement. Should we be updating GUS with the payments and balances that are the refresh report?**

Any new adverse credit appearing on the updated credit report must be evaluated by the lender to determine if the applicant remains eligible for the loan request. Updated credit reports with cumulative new debt of \$51 or more per month must be resubmitted to the agency if a Conditional Commitment has already been issued. Please refer to Chapter 5 of HB-1-3555 Guaranteed Loan Program Technical Handbook for guidance pertaining to the resubmission process.

- 26) Do we need to provide income calculations to USDA on every loan when we submit for the USDA commitment? Why did they remove the income calc pages on the new Form RD 3555-21?**

In lieu of the income calculation pages formerly a part of the Form RD 3555-21, Attachment 9-B remains an option that lenders may use to document their income calculations. However, the lender may also use Fannie Mae Form 1008, "Uniform Transmittal Summary," or equivalent in lieu of Attachment 9-B. The income worksheet was removed as a required form to help reduce duplicate work. The lender's income calculations must be included in all Refer, Refer with Caution, and manually underwritten loan submissions. The lender's permanent loan file must include income calculations for all loans.

- 27) For income, an income calculator is not acceptable by itself - we need to provide the mathematical map of the calculation? Is that correct?**

Correct, Rural Development needs to see the math.

- 28) To confirm, we can provide our own worksheet for income instead of the USDA form?**

Yes, but you need to show how you came up with your income figures by showing your math.

- 29) On Attachment 15-A from Handbook 3555, you ONLY include the specific page that goes with your file type; don't include all 3 pages - correct?**

That is correct - we don't need the blank pages.

- 30) Is there a way to import a new 3.4 file over existing GUS data?**

Yes, if all the conditions are met that will permit an update, you can import a new file and GUS will compare the loan number to the file already in GUS and update the information in GUS. See the GovDelivery Notice dated [5/25/21 GUS Deployment – Enhanced User Functionality Intelligent Replacement](#).

- 31) After we export the XML document to GUS the first time, and there is a change, for example, if the loan amount and closing costs change, can we re-export and import a new XML? Or do we need to calculate the changes manually in GUS?**

Yes, if all the conditions are met that will permit an update, you can import a new file and GUS will compare the loan number to the file already in GUS and update the information in GUS. See the GovDelivery Notice dated [5/25/21 GUS Deployment – Enhanced User Functionality Intelligent Replacement](#).

- 32) I noticed that if I need to correct a liability type (i.e. from installment to a collection account), GUS will not save this change. Is there a different way to make the correction rather than delete the liability and reenter?**

We are unable to duplicate this concern in our test environment. We can successfully change the “Account Type” from “Installment” to “Collections Judgments and Liens” and save without any issue. If this happens again and you would like assistance, please take screen shots and send to the GUS Helpdesk, RD.HD@USDA.GOV, for further assistance.

- 33) We have a loan that has an application date of 11/16/2020 therefore it has an old URLA. Since we have not submitted this to GUS, we need to re-app this loan in order to close as USDA?**

Yes, you will need to submit the file with an updated URLA.

- 34) If we have GUS run after March 2021 and the loan has the old 1003 and is closing AFTER 6/1/2021 is that acceptable?**

No, any file that is submitted to USDA Rural Development for review after 6/1/2021 with an old 1003 form, will be considered incomplete and USDA will be unable to process the request until the new 1/2021 version of the URLA is received.

- 35) There is an error that occurs every time I try to upload my application to GUS- it has to do with the county code. Where do I find where this goes?**

The county code is input on the Loan and Property Information tab in GUS.

- 36) Can lenders enter assets in GUS?**

Yes, you can enter assets in GUS on the Assets and Liabilities Tab.

- 37) How many times can lenders run GUS?**

There is no limit, but it does raise a flag if GUS is run excessively.

38) After closing, how many days do lenders have to do the lender loan closing/administration (paying the fee, submit final docs, etc?)

30-days to request the Loan Note Guarantee with this info

39) Is there still the issue with job title maximum 25 characters?

USDA requires use of the DU Specification MISMO v3.4 (Document Version 1.8.1). The specification defines this data point format as "String 25". Any entry exceeding 25 characters does not meet the requirements of the file specification and is therefore rejected at time of file import.

40) When submitting documents in GUS for the Guaranteed Program, there are only three categories to select from. I had recently been asked to upload my documents using more categories. Are there more categories for the Direct Program?

GUS is not used to process files for the Direct Program.

41) How do we get the handbook?

Handbook 1-3555 is available on the [Loan Origination](#) section of the [Linc Training and resource Library](#) page.

42) Where can I get a copy of the updated Attachment 15-A - the version I have has only 2 pages?

There is a link to the Attachment 15-A and many other useful documents on the Loan Origination tab of the [LINC Training and Resources Library](#) page.

43) I recently received access to GUS. When I sign in, the system is indicating Unable to Verify Application - not sure why. What am I doing wrong?

Anyone having this issue should contact the help desk, RD.HD@USDA.GOV.

44) For verifying non-U.S. citizens' legal admittance, could you go over the SAVE feature (SAVE = Systematic Alien Verification for Entitlements)?

Training for running SAVE is available on the [LINC Training and Resource Library](#) under GUS, then training number 13, "Additional Data Page".

45) What happens if a permanent resident alien fails SAVE and goes to secondary review? How long does that take? Do we need to keep checking, or will the system update us? Do lenders need to send anything to USDA?

The secondary check can take up to 5-7 business days. GUS corresponds with SAVE each night to obtain status updates on pending verifications. GUS loans will be updated when the status changes

and the user that created the GUS application will receive an email notification when it occurs. Here is an example of the auto-generated email communication:

The Guaranteed Underwriting System (GUS) has received a Systematic Alien Verification for Entitlements (SAVE) verification response from the Department of Homeland Security regarding GUS Application ID #5002519.

Details regarding the response are located on the GUS Additional Data page of the application. If you have any questions regarding the response please contact the Rural Development Help Desk at **(800) 457-3642; option 2, option 2** or via email at RD.HD@USDA.GOV

46) SAM pages seem to have changed lately - are there simple instructions for finding only SAM results?

The SAM exclusion list can be found at: <https://sam.gov/content/exclusions>. The process is the same, however, a few extra clicks have been added to the SAM homepage. (SAM = System for Award Management, which checks multiple federal data bases for individuals & businesses who are debarred from receiving federal assistance)

47) What is the deal with the new SAM website? What does RD require on that? They have totally changed that website now.

SAM is required to ensure the applicant and parties to the transaction have not been debarred from doing business with the federal government. There is further guidance regarding SAM in this document.

48) Are we able to use First American Fraud Guard in the meantime instead of SAMs? That is what our Compliance team has advised until SAMs populates the correct results.

No - USDA Rural Development will only accept results from SAM.gov.

49) Did they change the SAM website? I was having trouble with it pulling a ton of extra stuff.

We were not aware of the changes to SAM until last week. We plan on putting together some helpful information for users, but we would recommend users review the help information on SAM and contact SAM directly. Here is a link on how to do a search. [GSAFSD kb articles - GSA Federal Service Desk Service Portal](#). This link goes to a page where there are several articles on how to search and filter exclusions. [gsafsd kb category - GSA Federal Service Desk Service Portal](#).

50) When we pull CAVIRS in GUS, do we need to also pull CAVIRS outside of GUS in the normal GOV't platform?

CAIVRS is always pulled in GUS with your original submission, you will only pull CAIVRS outside of GUS if you get an ineligible CAIVRS response in GUS. If you can resolve the issue, you will then pull another CAIVRS report outside GUS. The file will need to be submitted for a manual file review and you will include the updated CAIVRS and supporting documentation with the file for review.

51) CAIVRS - it was mentioned that this needs to be run through GUS. I have a customer that has an unpaid student loan on their credit report. However, they have now paid that account in full. Is there a way to re-run CAIVRS through GUS to change the loan from an ineligible status?

No, you cannot re-run CAIVRS through GUS. The lender will need to obtain and document an eligible CAIVRS response and include this evidence in a complete manual loan submission to USDA for review.

52) I began a new construction purchase application in the old GUS many months ago. Will I still be working that file in the old GUS?

Legacy GUS was retired on 2/26/2021 and applications in that system are now in “read-only” mode. The application must be imported into New GUS.

53) Does USDA require that the lender collect impounds at closing for the guarantee fee?

It is not necessary for the lender to collect impounds for the USDA guarantee fee. In most cases, the upfront guarantee fee is financed by the borrower into the total loan amount and the fee is paid to the agency in that manner.

54) For household size & income limit purposes, what if there is a "bun in the oven" (pregnancy) – is that child counted in household size?

The child must be born to be included as a member of the household.

55) If an applicant receives OT income, however, has been on his job less than one year, but is in the same line of work. Do we include this OT income for eligibility purposes?

The overtime income will likely be included in the annual household income (since it is verified as being received for the ensuing 12 months), but not in repayment income if it has been received for less than one year.

56) I was in GUS yesterday. The loan I am doing has a \$5,000 grant that is a soft 2nd and needs to go in subordinate financing position, but that box was in "gray" and I wasn't able to input an amount. Could go over how to do that?

Please input subordinate financing such as a grant on the “Loan and Property Information” screen. If no payment is required, enter 0.00 in the payment field to avoid an error code.

57) What is the chapter the Homeowners Insurance requirements are listed in?

Homeowner insurance guidance is in Chapter 16, “Closing the Loan and Request the Guarantee”

58) Please clarify when Household Income would be different than Repayment Income. Are these good examples: Spouse working but not on loan -or- a teenager who works but not on the loan?

It is not uncommon for annual Income and repayment income to differ. In your first example, the repayment income will be less than the annual income since the income of all adult household members, including the spouse, must be included when determining annual income. However, the spouse's income will not be included in repayment income since the spouse will not be a party to the Note.

59) Don't we have to count teenagers' income toward total household income?

It depends if the teenager is 18 or older, and if they are a full-time student. If they are:

- 18 or older and NOT a full-time student, YES, their income must be counted toward HH income,
- 18 or older & a full-time student, then per Handbook 9.3, B, only the first \$480 of their earnings are counted toward Household Income, so that when the \$480 deduction to income is applied, it zero's out that part of their income we counted,
- Younger than 18 years of age, any income they earn is not included in annual household income at all, not even the first \$480.

60) When you say that a decrease in assets may cause us to have to resubmit a loan application, does that mean if cash to close increases, then we need to resubmit the application?

Per Handbook 3555, Chapter 5, paragraph 5.3,M:

Resubmission Policy The lender is responsible for the integrity of the data used to obtain an underwriting evaluation in GUS. If data changes during the loan application process, after Conditional Commitment or prior to loan closing, the GUS underwriting recommendation could be compromised. Lenders are responsible for resubmitting the loan to GUS when material changes are discovered. Lenders must follow the Conditional Commitment guidance outlined in Paragraph 15.7 of Chapter 15 of this Handbook prior to closing a loan. Any request to release GUS for data updates after issuance of a Conditional Commitment will be treated as a new request, processed in date order of applications received. Under the following conditions, lenders must resubmit the loan through GUS for an updated evaluation:

- Borrowers were either added or deleted from the loan application or critical information has changed.
- A decrease in the borrower's income and/or cash assets/reserves.
- An increase in loan amount or interest rate on the mortgage loan request.
- Any changes that would negatively affect the borrower's ability to repay the mortgage.

The lender should submit a request via e-mail to the appropriate production team requesting the loan be released from the Agency to the lender. The lender should modify the data and resubmit the loan through GUS for an updated final evaluation underwriting recommendation.

Some data changes do not affect the outcome of an underwriting recommendation. Once a mortgage loan has been sent to the Agency as a "Final Submit," the following data changes do not require that the GUS loan application be updated:

- A decrease in loan interest rate
- A decrease in loan amount
- A decrease of mortgage or personal liabilities
- An increase of assets
- The bureau update of a credit report due to the expiration of the credit report (expires at 120 days prior to loan closing) after a final submit has occurred by the lender and a Conditional Commitment has been issued; yet prior to loan closing as long as no adverse impact has occurred that would affect the outcome of the underwriting recommendation. Lender must retain the updated credit report in their permanent lender's case file.

61) Do we need to use "apt" per USPS on a condo, not unit or #?

Apt, unit or # is acceptable. Please ensure that the address entered into GUS matches the address reflected on the appraisal.

62) I had to correct a borrower DOB after prelim submission - would I need the credit report corrected if I am still receiving GUS accept?

Yes, because the Date of Birth is used to pull credit.

63) Is it household income or repayment income that is used to qualify a borrower for USDA loan?

Annual income is used to determine program eligibility. Repayment income determines the applicant's ability to repay the loan.

64) In the past, I've noticed a slight variance between income on the worksheet and income in GUS. I've asked about this at USDA webinars and they said a small variance (\$5-\$10) was okay. Is that still the case?

Yes, that is acceptable.

65) Does USDA allow 'Sole and Separate' in Community Property State?

Lenders must follow applicable community property state (CPS) lending laws when the applicant(s) and/or property are located in a CPS. The credit history of the non-purchasing spouse (NPS) is not a reason to deny a loan application. Lenders must be knowledgeable of CPS laws and requirements when evaluating debt belonging to the NPS.

The credit report for the NPS must be obtained outside of GUS and uploaded along with the complete loan submission. The NPS debts will be manually entered in GUS by the lender as required by law. Lenders will identify the NPS debts by selecting "Other" as the Account Type Description and entering "NPS debt" in the pop-up box. NPS debt(s) that the lender has determined to exclude will not be

entered into GUS. The lender will retain documentation in their permanent loan file that supports exclusion (a copy of the state statute that allows exclusion of the NPS debt.)

A GUS Accept/Accept with Full Documentation file is not required to be downgraded due to the manual entry of NPS debts. However, the debts for the Non-Purchasing spouse must be manually populated on the liabilities tab in GUS.

The following are identified as community property states: Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington, and Wisconsin. Puerto Rico and several Indian jurisdictions allow community property ownership. Alaska is an opt-in CPS. Property is separate unless both parties agree to make it community property through a community property agreement or trust.

66) Should future jobs be entered a specific way?

GUS follows the format of the URLA which captures information pertaining to current and previous employment. The future job will be input as the applicant's current employer and prior jobs will be listed as previous employment. For Annual income, count the calculated amount that will be received in the ensuing 12 months. For repayment income, the underwriter must analyze their work history to see if the one-year required history is met through a combination of employers, education or military service. USDA can also accept repayment income from contract work to begin within 60 days under certain conditions. See the screen shot of Handbook Attachment 9-A below.

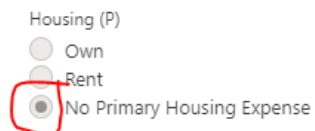
Contract / Employment Offer	Include amounts that will be received in the ensuing 12 months based on employment verifications.	Required History: One year The one year of required history may be met through a combination of employers, education, or military service. This history does not have to be with the same or current employer. An applicant moving to a new employer (i.e. school district, same profession, etc.) with a contract to begin employment within 60 days of loan closing may be eligible if the underwriter determines the applicant has reserves available post loan closing to cover all monthly liability payments and the new mortgage obligation until employment begins.
Documentation Source Options: • Copy of signed employment contract/offer • Paystub(s)/Earning statement(s) of current/former employer to confirm employment/income history • W-2's • Written Verification of Employment (VOE) or electronic verifications • Federal income tax returns or IRS tax transcripts with all schedules		

67) Are the assets reflected in GUS for reserves only?

No, assets are included in the evaluation of the overall loan scorecard. Assets should never be overstated and must be verified. Assets may also influence eligible annual income when household members have cumulative net family assets (non-retirement) of \$50,000 or greater. Please refer to Chapter 9, Sec 9.4, "Calculating Income From Assets" for guidance pertaining to this topic.

68) Borrower lives with a family and does not pay rent. But GUS required me to enter a \$1.00.

GUS requires “Rent per Month” only when the “Housing” type selected is equal to “Rent”. In this scenario, the correct selection for “Housing” type would be “No Primary Housing Expense.”



69) Can a borrower have a lot of assets, for example, \$30,000 and still obtain a USDA loan?

Chapter 8.2 B of Handbook 1-3555 itemizes the criteria to certify an applicant is unable to secure conventional credit, which includes liquid funds to make a 20% down payment, plus all closing costs, plus ratios that do not exceed 28/36, plus having credit that meets conventional requirements. All of these must be true to consider an applicant’s ability to secure conventional credit and therefore, potentially deem them ineligible for USDA financing.

70) Are you saying that if they have down payment, they can't use USDA?

That is incorrect. Chapter 8.2 B of Handbook 1-3555 itemizes the criteria to certify an applicant is unable to secure conventional credit, which includes liquid funds to make a 20% down payment, plus all closing costs, plus ratios that do not exceed 28/36, plus having credit that meets conventional requirements. All of these must be true to consider an applicant’s ability to secure conventional credit and therefore, potentially deem them ineligible for USDA financing.

71) Can the RD Form 3555-21 be electronically signed?

Yes

72) I need clarification on a previous question. Just to clarify:

Scenario #1: if the borrower has \$5,000 in his account and at USDA submittal the borrower needed \$3,000 funds to close, so the assets left over would be \$2,000. When the file gets to closing, they now need \$4,000 so they will only have \$1,000 left in their bank account. (Is this a decrease in assets that requires resubmittal to USDA?)

Scenario #2: If their bank balance was \$5K at time of application and for some reason we now got a bank statement that now shows \$1,500 in account, would this have to also be resubmitted?

Correct, the file must be resubmitted to reflect the decrease in remaining assets.

73) Why don't the seller contribution and subordinate financing appear on the printed GUS?

The GUS findings only report a reference to possible seller contributions and/or subordinate financing to prompt the lender/underwriter to ensure those items are reviewed, as applicable.

74) Do you always have to take the credits out before importing?

As long as the credits are permitted by the DU Specification MISMO v3.4 (Document Version 1.8.1) then there is no need to remove them from the LOS/XML prior to import into GUS.

75) With businesses currently being short staffed, many are working overtime hours that are not the norm, can we consider past history of little to no overtime when establishing eligibility income instead of just year to date calculations that could exceed eligibility limits?

It is the approved lender's responsibility to review the complete income history in order to accurately calculate the income expected to be received in the ensuing 12 months, make a determination of stable and dependable repayment income, and to document the permanent loan file to support their lending decision.

76) Does alimony and child support not transfer over when uploading a file? We have found it doesn't.

GUS will accept both "Alimony" and "Child Support" as "Income from Other Sources" if presented in accordance with requirements of DU Specification MISMO v3.4 (Document Version 1.8.1).

77) Is there minimum tolerance for increased PITI or lower reserves that would not require a GUS resubmission?

\$50.00

78) For the \$50 limit, is it the balances of the liability or payment increase that you are counting?

An increase in monthly payments.

79) Are Tax Transcript 4506 results required on all USDA loans?

IRS transcripts are required for all adult household members. Each adult household member must complete and sign IRS Form 4506-T for the previous two tax years at the time of loan application. The 4506-T must request full transcripts with all schedules.

80) If we are using Blueprint for income calculations, we can or cannot use that worksheet?

Lenders may use their own income worksheet. The worksheet must reflect calculations to show how income was determined for each applicant.

81) What if our appraisal expires? Is resubmission required if value doesn't decrease?

The appraisal must have been completed within 150 days of loan closing. Appraisals that are older than 150 days prior to loan closing are eligible for an appraisal update. The validity period of an appraisal report can be extended only one time. The appraisal may be expired at the time the appraisal update is requested. However, when the original appraisal is subsequently updated, the

appraisal is valid for no greater than 240 days from the effective date of the original appraisal report at loan closing. If the appraisal date will be greater than 240 days at loan closing, then a new file with a new appraisal must be submitted to the agency for review.

82) USDA used to say don't enter assets in GUS for funds to close. Still true?

Assets are not required to be entered into GUS. Per Handbook 5.3, E, "Although cash reserves after closing are not required for the SFHGLP, cash reserves are considered in the risk assessment provided by GUS."

83) If we have a borrower that is a mom and son on title, but we are removing the mother, do we still have to include her income?

If the mother will be residing in the home with the son, her income must be included.

Help Resources

USDA ITS Service Desk Support Center

For e-Authentication assistance

Email: eAuthHelpDesk@ftc.usda.gov

Phone: 800-457-3642, option 1 (USDA e-Authentication Issues)

Rural Development Help Desk

For GUS system, outage or functionality assistance

Email: RD.HD@STL.USDA.GOV

Phone: 800-457-3642, option 2 (USDA Applications); then option 2 (Rural Development)