

# Single Family Housing Guaranteed Loan Program Offers 0% Down With A 90% Guarantee!

## **Terms and Fees**

- Maximum Loan Amount: 100% Appraised Value PLUS Upfront Guarantee Fee (101% financing)
- Loan Fees: 1) Upfront Guarantee Fee = 1.00%, 2) Technology Fee = \$25; Annual Fee = 0.35% UPB
- Interest Rate: 30-year fixed rate term negotiated between the applicant and lender. No cap on rate.
- Seller/Interested Party Contributions: Allowable up to 6% of sales price. No limit on gift funds.
- Types: Purchase, Build, Refinance, Streamline Refinance
- Participating Lenders earn Community Reinvestment Act (CRA) credit

## **Applicant**

- Occupancy: Must agree to personally occupy home within 60 days of loan closing
- Citizenship: Must be a U.S. citizen, U.S. non-citizen national, or qualified alien
- Assets: Must be unable to obtain conventional financing with no PMI and a 30-year fixed rate term
- Suspension or Debarment: Lender will verify eligibility through the System for Award Management (sam.gov)
- NOT limited to First Time Home Buyers

## **Income**

- Annual Income: Income of ALL adult household members must be below the Moderate limit [115% of the county median household income (MHI)].
- Adjusted Annual Income: Eligible deductions—\$480 per eligible dependent, \$400 elderly household; eligible childcare, elderly medical, and disability expenses
- Repayment Income: Stable and dependable income of the applicants who will sign the note; Co-signers not permitted; Non-taxed repayment income may be grossed-up by 25%
- Repayment Ability (Ratios): 29% PITI and 41% TD (flexible with compensating factors)
  - ◊ GUS “Accept” = no waiver required; GUS “Refer” or “Refer with Caution” = waiver required

## **Credit**

- Credit Score: No minimum credit score but lender or investor may require one
- GUS “Accept”: Credit score validation not required; Streamlined documentation submission
- GUS “Refer” or “Refer with Caution”: Credit score validation required (at least 1 applicant must have 2 tradelines with a 12-month history); Full documentation submission
- Non-Traditional Credit: Acceptable for applicants without a usable score; 2 trade references when 1 is a verification of rent or mortgage, 3 trade references if no verification of rent or mortgage

## **Property**

- Eligible Area: Must be located within a rural area
- Property Types: Single Family Existing, New Construction, Condos, PUDs, Modular, and some Manufactured
- Site Size: No acreage limit. Site size must be typical for the area and have no land or buildings principally utilized for income producing purposes
- Inspection: Existing homes must meet HUD Handbook 4000.1 requirements; Safe water test required for private wells; Well and/or septic inspection if required by appraiser, inspector, or lender
- Construction-to-Permanent: Short-term construction loan & long-term permanent mortgage in a single-close loan. Loan Note Guarantee issued/realtor paid before construction begins.

## **Tools and Resources**

Lending Partner Website: [rd.usda.gov/page/sfh-guaranteed-lender](https://rd.usda.gov/page/sfh-guaranteed-lender)  
Property and Income Eligibility: <https://eligibility.sc.egov.usda.gov/eligibility>  
Training & Resource Library: <https://rd.usda.gov/programs-services/lenders/usda-linc-training-resource-library>  
Contact Us: [SFHGLD.PROGRAM@usda.gov](mailto:SFHGLD.PROGRAM@usda.gov)

**As the leading federal agency for rural development prosperity, we work to help rural communities grow and prosper. For additional resources and information about our business, community or housing programs, contact our program specialists at 1-800-670-6553 or visit us online at [rd.usda.gov](https://rd.usda.gov).**

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