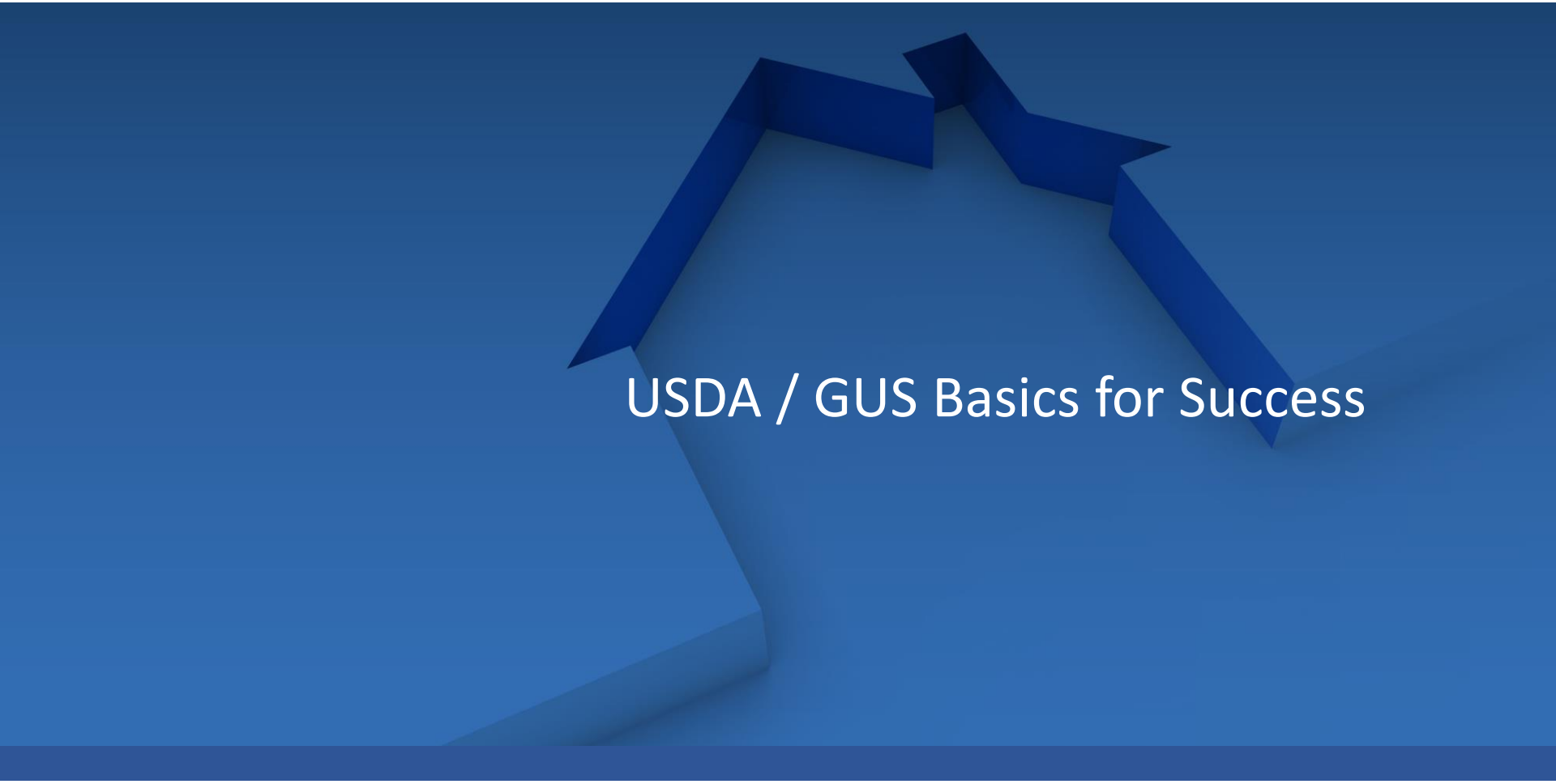
mortgage solutionsfinancial™



USDA / GUS Basics for Success

INDEX

BENEFITS OF MSF USDA	HOUSEHOLD ELIGIBILITY	ASSETS AND LIABILITIES
INTRODUCTION	INCOME ELIGIBILITY	TRANSACTION DETAILS
OVERVIEW	LOAN TERMS	ADDITIONAL DATA
GUS DECISION PROCESS	BORROWER	CREDIT / UNDERWRITING
ENTERING A NEW APPLICATION	EMPLOYMENT	VIEW FINDINGS
PROPERTY ELIGIBILITY	INCOME AND EXPENSES	RELEASE FINDINGS

BENEFITS OF MSF USDA

- LTV based off appraised value, regardless of sales price on a purchase
- LTV can exceed 100% of the appraised value by the amount of the USDA guarantee fee
- Eligible manufactured homes allowed
- No credit score overlay to USDA guidelines
- No DTI overlay to USDA guidelines
- Alternative trades allowed per USDA guidelines
- USDA Streamline Refinances allowed
- MSF will allow sponsored lender agent access to GUS

INTRODUCTION

Guaranteed Underwriting System (GUS)

- USDA automated underwriting system
- Similar to Fannie Mae's Desktop Underwriter and Freddie Mac's Loan Prospector
- A new Security Role of **"Lender Agent"** is available in GUS. **"Lender Agent"** users can enter and process GUS applications on behalf of each lender they are setup under.
- Users assigned a GUS security role of **"Lender Agent"** will be able to establish applications, order new/re-issue existing credit reports, and request preliminary underwriting recommendations on behalf of an approved lender.
- Mortgage Solutions Financial will remain responsible for uploading documents to USDA and requesting final submissions in GUS.

OVERVIEW

Lender Agent Security Role Attributes

- User can have “Lender Agent” security role with multiple GUS approved lenders. In this instance, the user is prompted to choose which approved lender they will be associated with when signing into GUS. The lender association can be changed at any time during the GUS session.

- User can order/re-issue credit reports and request preliminary underwriting recommendations (final underwriting recommendation and document upload/display document features are unavailable).

- Approved lenders have view-only capability of applications that are controlled by an authorized lender agent in GUS. Once the lender agent is ready to hand the application over to the approved lender, for underwriting and submission to USDA, they must release control of the application to the lender at the GUS Credit / Underwriting page. Lender agent user will have view-only capability of the application after releasing control to the approved lender.

OVERVIEW

Lender Agent Security Role Attributes, cont.

- ***Lender agents cannot transfer an existing GUS application from one approved lender to another.***

- Lender agents may withdraw an application while it is under their control. Once an application is released to the approved lender, the lender agent will no longer be able to withdraw the application.

- ***Lender Agents will not be able to merge a new credit report into GUS after the findings have been assigned to MSF. If a new credit report is required to be run and merged into GUS, MSF must release the GUS application back to the Lender Agent for credit reissue.***

OVERVIEW

Access to GUS is simple – MSF How to Guide page 20

USDA RD LINC (Lender Interactive Network Connection) Website:

- https://usdalinc.sc.egov.usda.gov/
- Follow links for Rural Housing Service
- GUS link under Single Family Guaranteed Rural Housing list
- Bookmark site for future access

Using GUS for Underwriting

- **GUS is required for all loans**
- **GUS decision is a recommendation to compliment underwriting**
  Never rely on GUS decision as primary reason for loan approval

Reminder: The number of submissions in GUS is much more sensitive than it is in DU or LP. Too many submissions to GUS can change the GUS findings which may result in the Underwriter having to treat the loan as a Full Submission (like a Refer) rather than an Accept. This may lead to a change in the final underwriting decision to approve or deny the loan.

OVERVIEW

Technical Information

- **Always use Microsoft Internet Explorer for best functionality**
- **Turn off pop-up blockers or configure to allow for GUS sites**
- **Field Completion**

Required Fields:
The system message at the left alerts the user of data fields that must be completed to save an application page, **or** submit preliminary or final underwriting submissions. The symbols represent:

- * – required field to save page and move to next
- P – required field prior to preliminary submission
- F – required field prior to final submission

Note: Although some fields may not be marked as "required", the user should make every effort to complete as many fields as possible for the more accurate assessment and recommendation from GUS.

OVERVIEW

GUS Messages

Display at top of screen and/or in sections where attention is needed

- GUS provides four types of messages regarding the condition of data entered by the user. A user may receive informational, processing, warning, or error messages to assist in navigating the system and completing the task.

- Messages are displayed at the top of the frame. Warning and error messages also identify the relevant data field.

Processing	Indicates system is processing and awaiting response
Warning	Alerts user application is incomplete; save is permitted for later completion
Error	Problems exist with data preventing save of data
Informational	General alert or task confirmation

GUS DECISION PROCESS

GUS evaluates loan data entered to arrive at recommendation

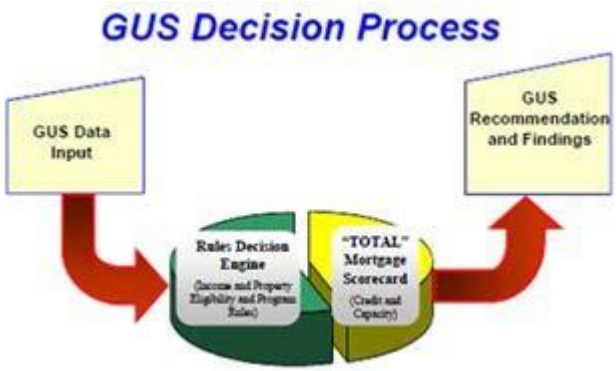
Two underwriting tools used:

Rules Decision Engine

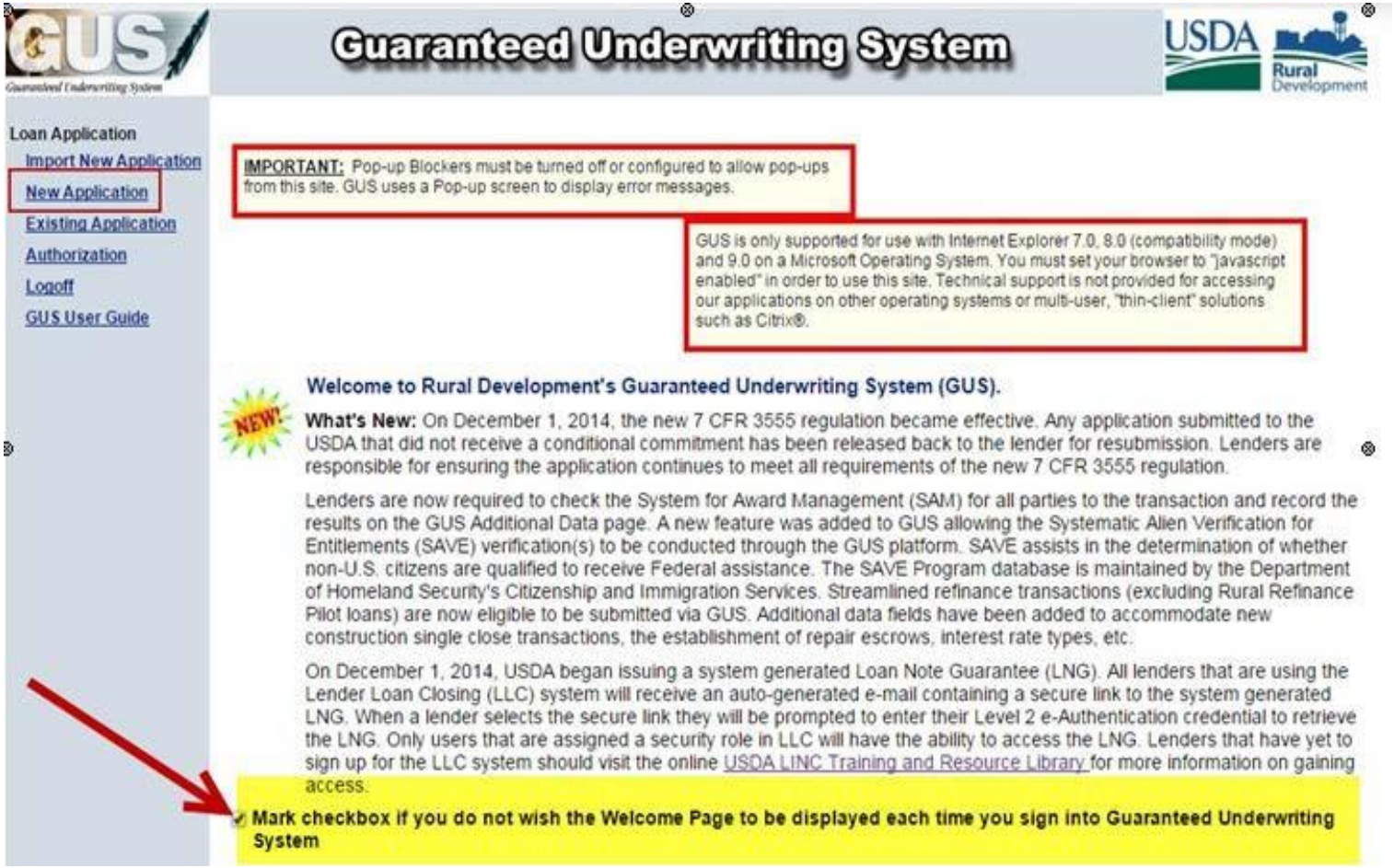
- Property is in eligible area?
- Annual household income below moderate limit?

TOTAL Scorecard (Technology Open To Approved Lenders)

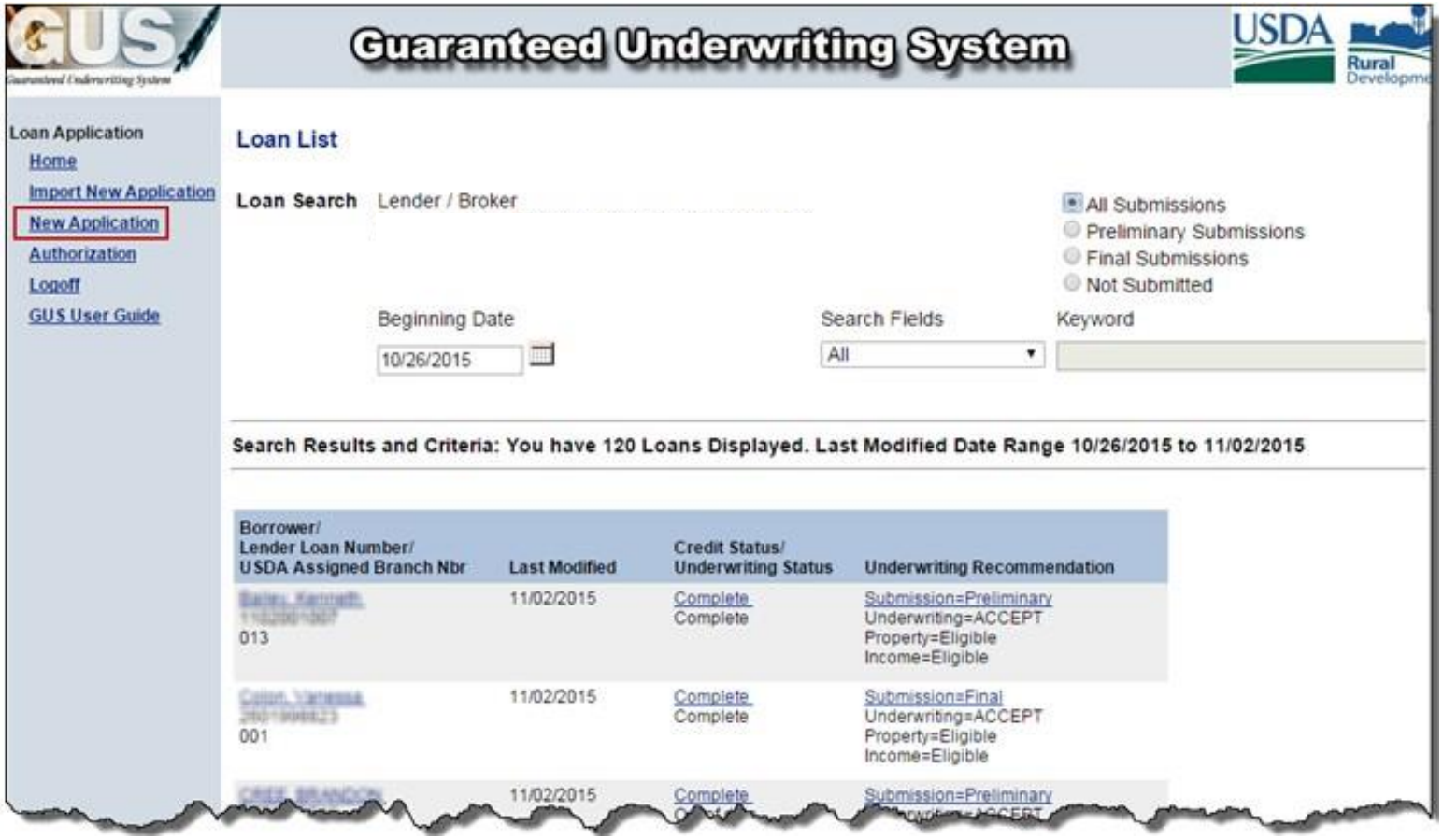
- Evaluates credit history, payment and ratios, and LTV
- Similar to FHA TOTAL Scorecard, but unique to USDA-RD



ENTERING A NEW APPLICATION

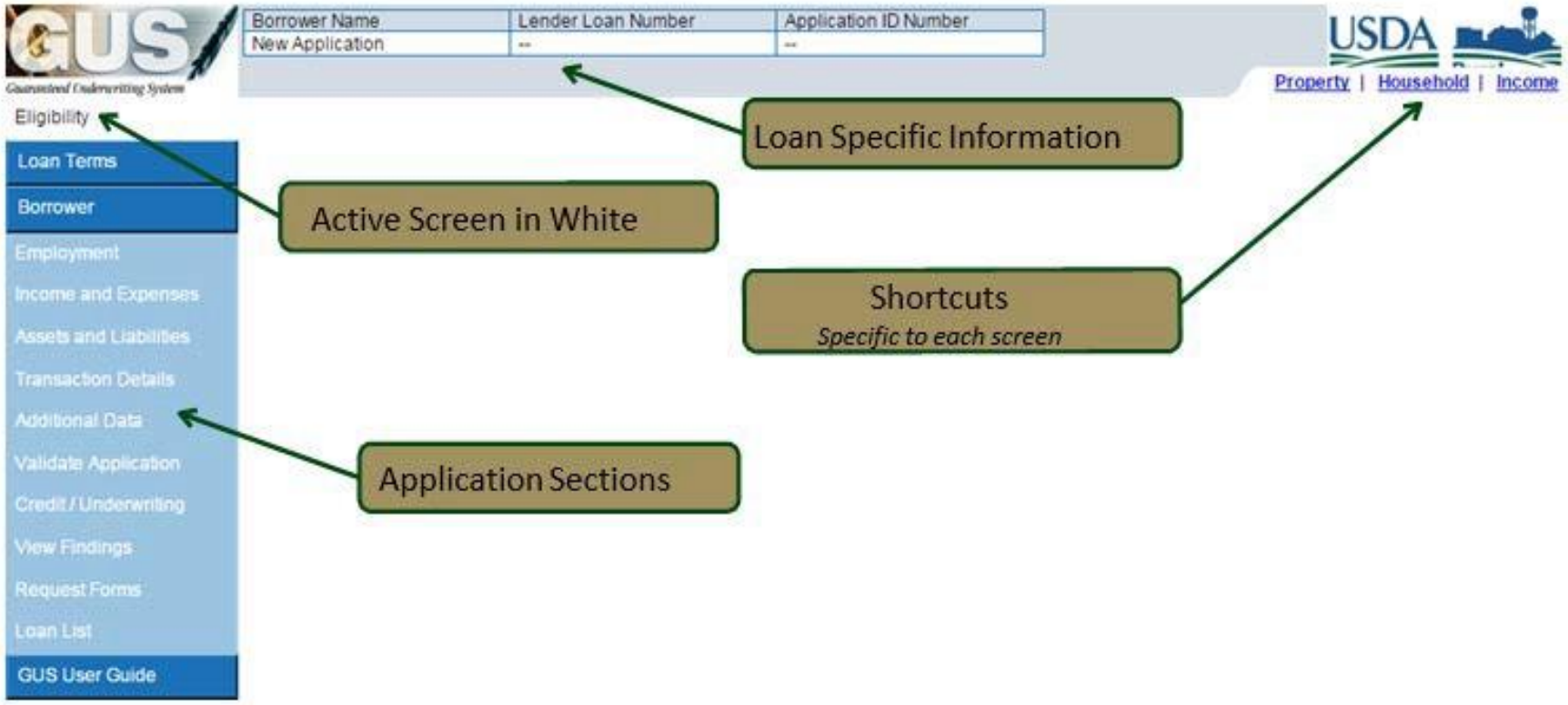


ENTERING A NEW APPLICAITON



ENTERING A NEW APPLICATION

Navigating through GUS



PROPERTY ELIGIBILITY

The Eligibility page will be the first page of GUS to display for a New Application. The Eligibility page is a scrolling page. The user may access the scroll bar located on the right side of the page to view the entire page. The goal of the Eligibility page is to determine property and income eligibility for the Guaranteed Loan Program.

Property Eligibility

1. Enter the **"Property Address"** for the subject loan.

- If the borrower(s) has not selected an exact property address enter **"TBD"** (To Be Determined) in the property address field.
- Entering **"TBD"** will result in a **"Property Eligibility"** finding of **"Unable to Determine";** however **"TBD" will not** affect GUS's ability to render a preliminary underwriting recommendation.

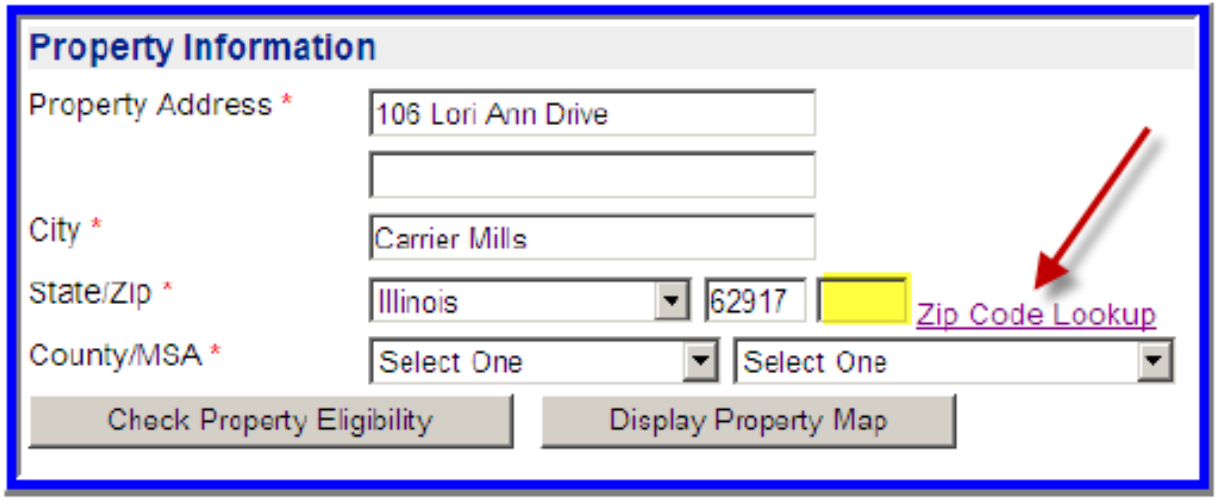
The property address field must be updated prior to a "Final" submission.

2. Enter the **"City"**.

3. Select the **"State".**

PROPERTY ELIGIBILITY

4. Enter the nine digit **"Zip Code".** If the user does not know the correct **"+4 zip code extension",** click on the **"Zip Code Lookup"** hyperlink. If the address does not have a +4 zip code extension then Leave this field blank.

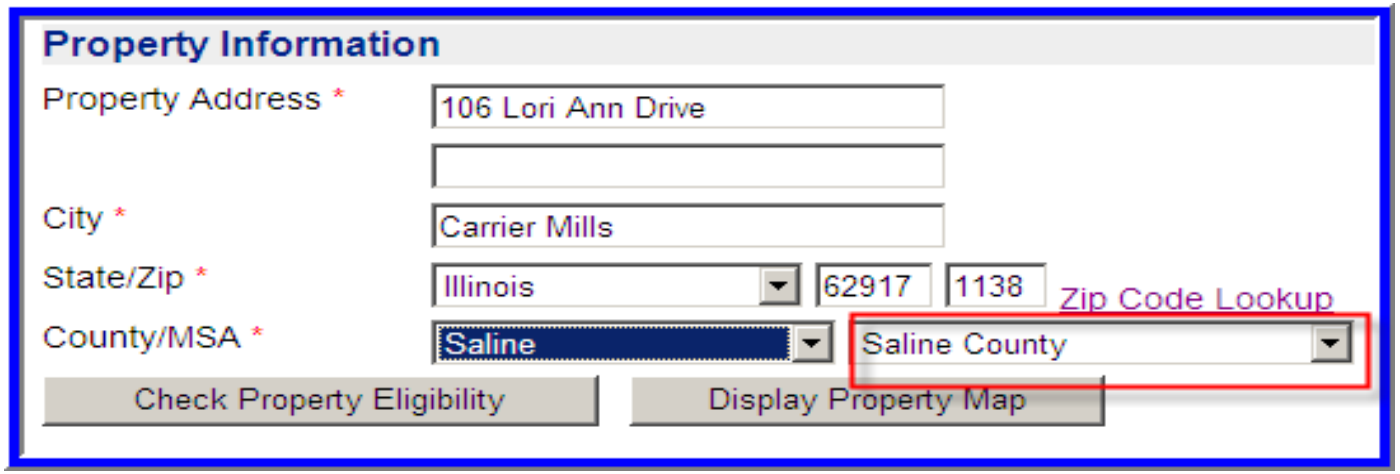


PROPERTY ELIGIBILITY

MSA – Metropolitan Statistical Area

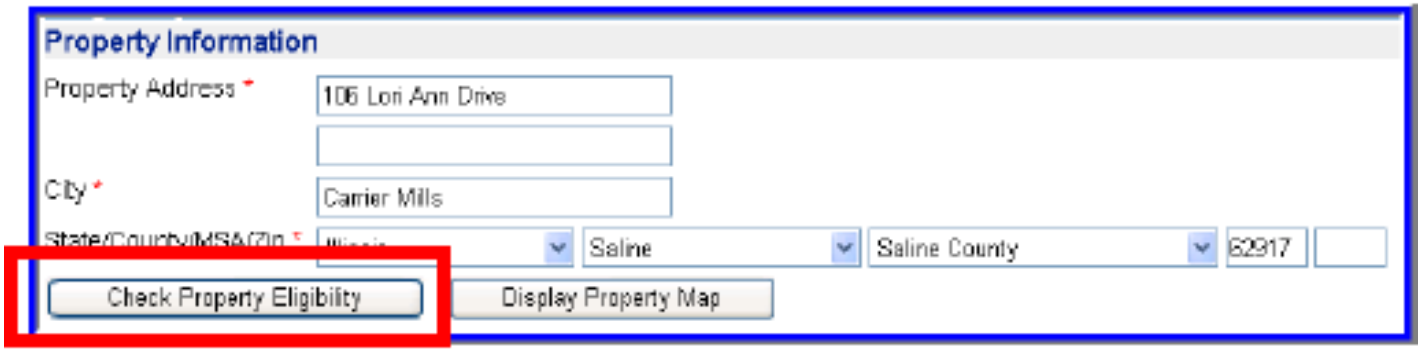
- **Specific to each county**
- **Rare occasions display multiple MSA**
  - Contact RHS for correct one per address – each could have different income limits

5. Select the **"County"** from the drop down box. When the county has been chosen the **"MSA"** will dynamically pre-fill. Some counties may fall under more than one MSA. Ensure the correct MSA has been selected.



PROPERTY ELIGIBILITY

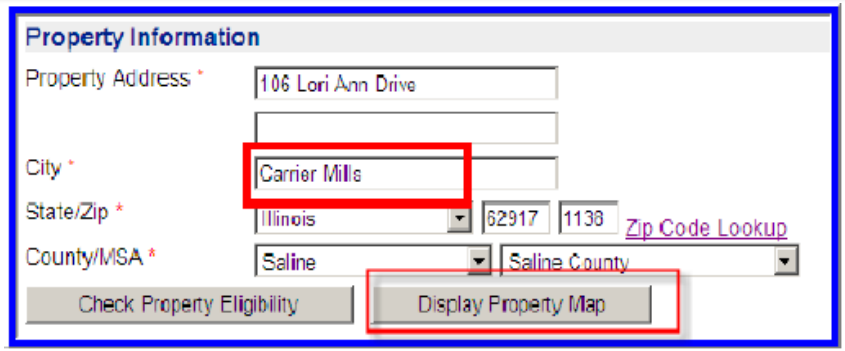
6. Click on **"Check Property Eligibility"** GUS will display the property eligibility determination.

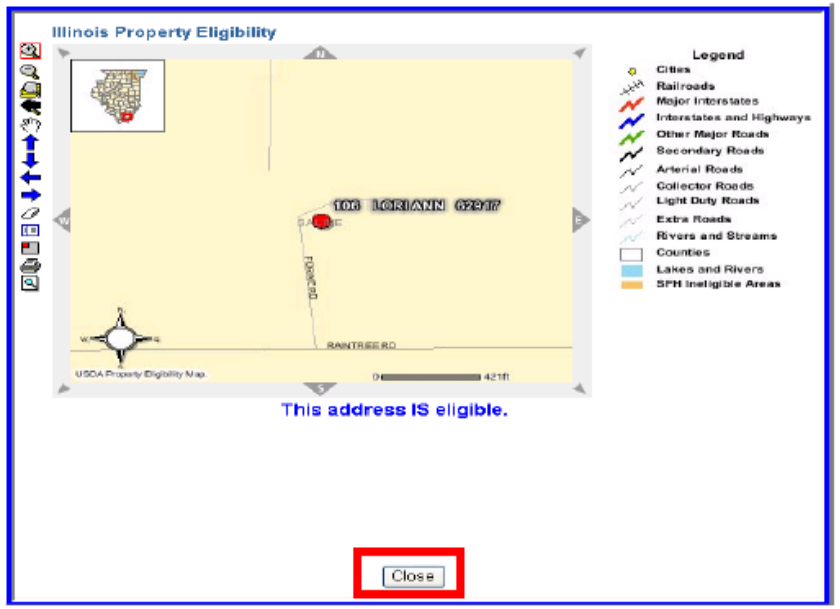


PROPERTY ELIGIBILITY

7. Click on **"Display Property Map"** to view the mapped address.

8. Click on **"Close"** to return to the GUS **"Eligibility"** page.





HOUSEHOLD ELIGIBILITY

Certain fields within the "Household Member Information" section will be dynamically created based upon information provided by the user.

9.Enter the **"Number of People in the Household".**

10. "Is the Loan Applicant or Co-Applicant age 62 or older?" Select **"No"** or **"Yes".**

11.Enter **"Annual Medical Expenses".** This field will only be accessible if the loan applicant or co-applicant is age 62 or older.

12.Enter the **"Number of Residents Under 18 Years Old, Disabled, Or Full Time Students 18 Years of age or greater".**

13.Enter **"Annual Child Care Expenses".** This field will only be accessible if the user indicates there are residents under 18 years old.

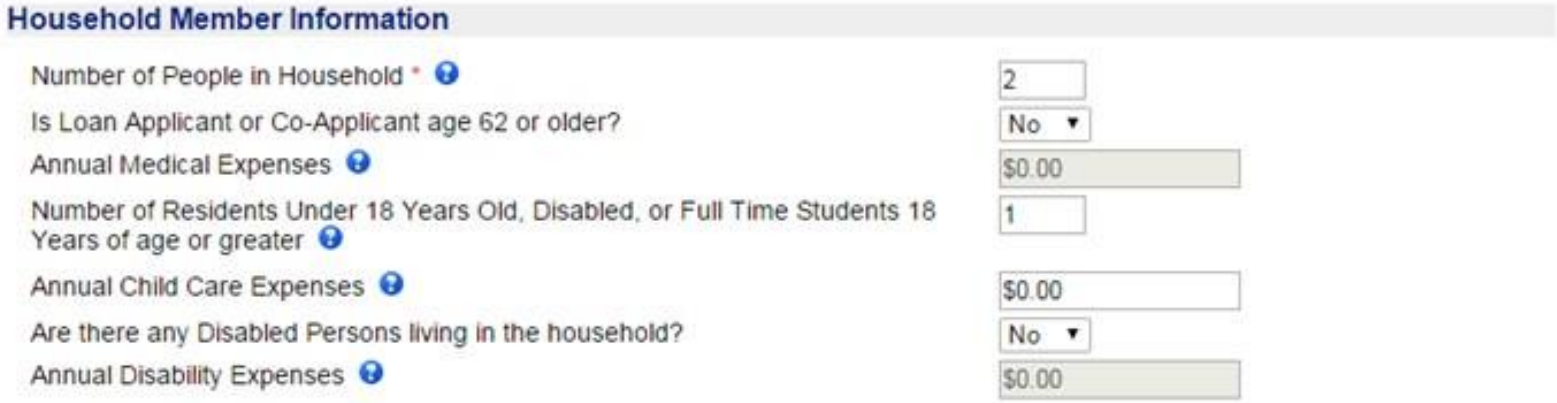
14. "Are there any Disabled Persons living in the household?" Select **"No"** or **"Yes".**

15.Enter **"Annual Disability Expenses".** This field will only be accessible if the user indicates there are disabled persons living in the household.

HOUSEHOLD ELIGIBILITY

Household Member Information

- Sets expectations for income entry
- Contributes to income eligibility



INCOME ELIGIBILITY

Monthly Gross Income For All Household Members

The "Monthly Gross Income For All Household Members" records Guaranteed Loan Program adjusted annual income (program qualifying income) which may differ from repayment income. Repayment Income will be recorded later on the "Income and Expenses" page.

16.Enter the **gross monthly** income for each applicant and adult household member who will occupy the household in the ensuing 12 months.

Note: Income referenced here is a MONTHLY amount. If annual amount is entered, the loan will be ineligible.

17."Other" or **"All Other Monthly Income Received by Adult Members of the Household"** received by adult members of the household can include but is not limited to; child support, social security benefits, alimony, part-time employment, etc.

"All Other Monthly Income…" is actually different than **"Other". "Other"** in the column of Other Household Members is typical **"Other"** income received by an applicant; **"All Other Monthly Income…"** is a collection of ALL income, regardless of source, and received by household members who are not also loan applicants.

INCOME ELIGIBILITY

“Monthly Gross Income For All Household Members”, cont.

GUS will dynamically display monthly income columns for each eligible household member based upon information provided in the **“Household Member Information”** section. Enter the highest gross monthly income first. Co-applicants that do not earn wages may be left blank.

GUS provides many income types for data accuracy and convenience. Child Support, Social Security benefits, etc. should be placed under **“Other”.**

Net rental income cannot be entered as a negative number. GUS will calculate negative rental income in the **“REO Property Information”** section of the **“Assets and Liabilities”** page later in the application.

Note: Net rental loss or self-employment loss is not calculated with Annual Income.

INCOME ELIGIBILITY

"Income Category" will be addressed below. Users must first view the sum of all total household income before making an income category determination.

18. Click on **"Check Income Eligibility".**

INCOME ELIGIBILITY

19. "Results from Checking Income Eligibility" will appear.

Below the results, GUS will list the total household income, which is the sum of all income reported for each eligible household member. Allowable adjustments are calculated based upon information provided. GUS will calculate the **"Adjusted Household Income".**

The adjusted household income is utilized for Guaranteed Loan Program eligibility.

INCOME ELIGIBILITY

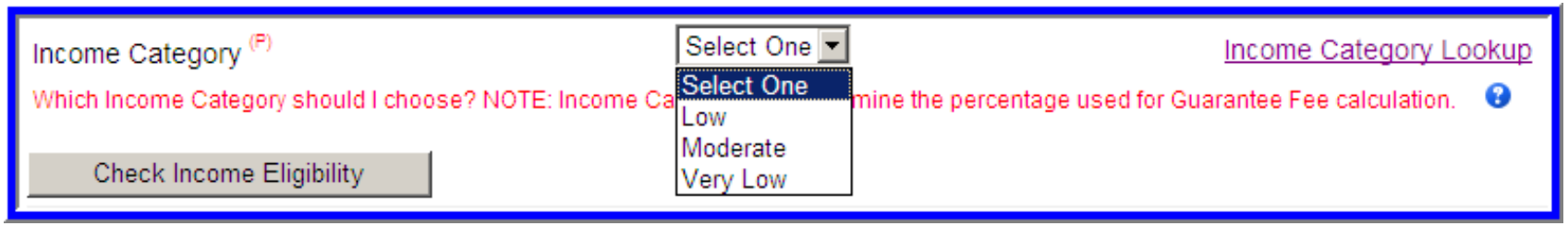
Before an **"Income Category"** can be selected, read the red message:

"Which Income Category should I choose?"

NOTE: Income Category may determine the percentage used for Guarantee Fee calculation.

20. Select the **"Income Category".** Options include:

- **Low**
- **Moderate**
- **Very Low**



INCOME ELIGIBILITY

A pop up box will appear that provides links to state income limits.

Select the appropriate state. In this example “Illinois” is selected.

INCOME ELIGIBILITY

Locate the MSA or County where the property is located.

If the total household income is at or below the **"RHS Low Income"** amount for the applicable number of household members, select **"Low"** as the **"Income Category".**

If the total household income is at or below the **"RHS Mod. Inc-Guar Loan"** amount but above the **"RHS Low Income"** amount select **"Moderate"** as the **"Income Category".**

To determine if the household is **"Very Low"** please contact Rural Development.

Income Lookout Document

HB-1-3555, APPENDIX 5 — PAGE 135

GUARANTEED HOUSING PROGRAM INCOME LIMITS

STATE:MICHIGAN — ADJUSTED INCOME LIMITS

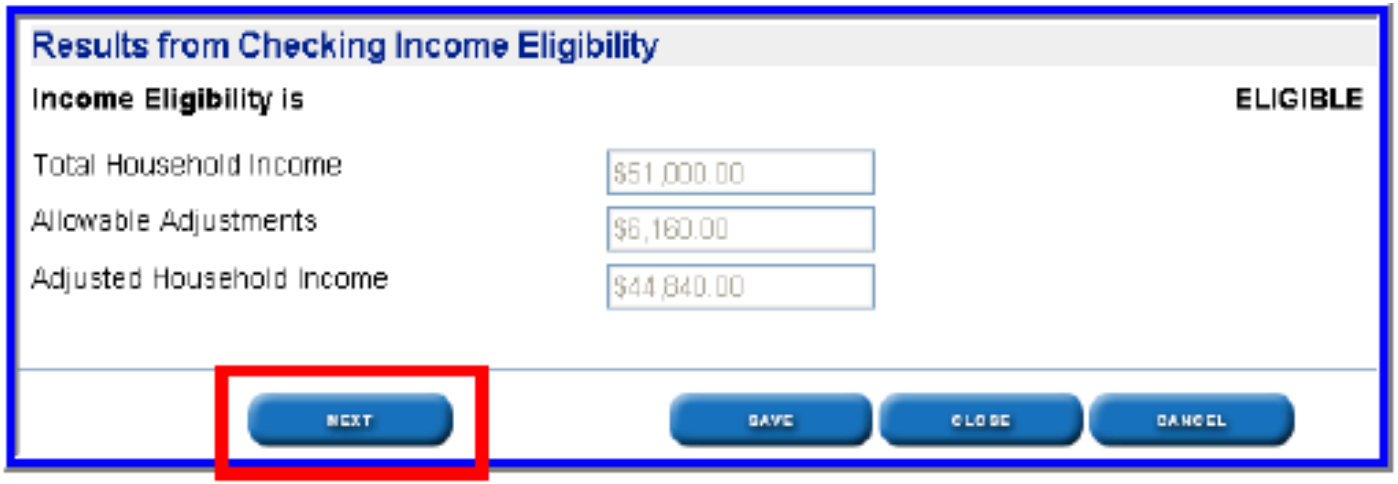
PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON*
Ionia County, MI HUD Metro FMR Area								
VERY LOW INCOME	20700	23650	26600	29550	31950	34300	36650	39050
LOW INCOME	33100	37850	42550	47300	51100	54850	58650	62450
MOD.INC-GUAR.LOAN	75650	75650	75650	75650	99850	99850	99850	99850
Newaygo County, MI HUD Metro FMR Area								
VERY LOW INCOME	19000	21700	24400	27100	29300	31450	33650	35800
LOW INCOME	30350	34700	39000	43350	46800	50300	53750	57200
MOD.INC-GUAR.LOAN	75650	75650	75650	75650	99850	99850	99850	99850
Holland-Grand Haven, MI MSA								
VERY LOW INCOME	24900	28450	32000	35550	38400	41250	44100	46950
LOW INCOME	39850	45500	51200	56900	61450	66000	70550	75100
MOD.INC-GUAR.LOAN	81800	81800	81800	81800	108000	108000	108000	108000
Jackson, MI MSA								
VERY LOW INCOME	21600	24650	27750	30800	33300	35750	38200	40700
LOW INCOME	34500	39450	44350	49300	53250	57200	61150	65100
MOD.INC-GUAR.LOAN	75650	75650	75650	75650	99850	99850	99850	99850
Kalamazoo-Portage, MI MSA								
VERY LOW INCOME	22150	25300	28450	31600	34150	36700	39200	41750
LOW INCOME	35400	40450	45500	50550	54600	58650	62700	66750
MOD.INC-GUAR.LOAN	75650	75650	75650	75650	99850	99850	99850	99850
Lansing-East Lansing, MI MSA								
VERY LOW INCOME	24050	27500	30950	34350	37100	39850	42600	45350
LOW INCOME	38450	43950	49450	54950	59350	63750	68150	72550
MOD.INC-GUAR.LOAN	79000	79000	79000	79000	104300	104300	104300	104300
Monroe, MI MSA								

INCOME ELIGIBILITY

Results from Checking Income Eligibility
Displays calculated **Annual Income, Adjustments**, and **Adjusted Household Income**

21. Click on **"Next"** to advance to the **"Loan Terms"** page.

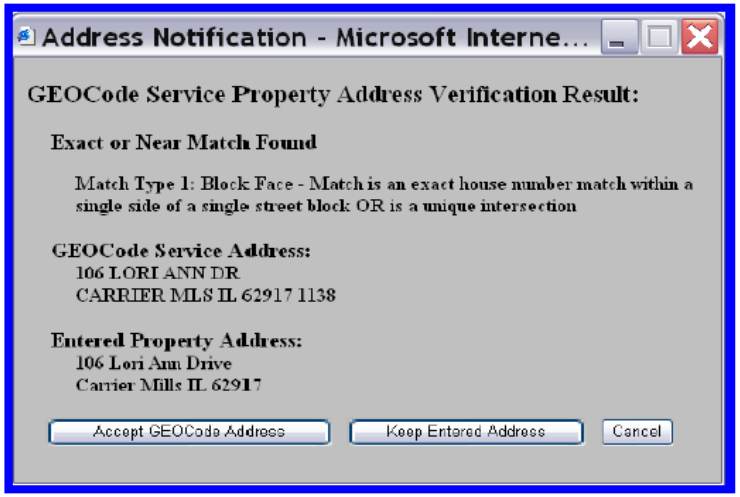
Users that wish to exit a GUS application may click on **"Close".** The GUS application will close and data entered will *not* be saved.



INCOME ELIGIBILITY

Once the **“Next”** button is selected a pop up **“Address Notification”** box may appear.

It will contain two versions of the property address entered by the user on this page. A GEOCode Service Address will be compared to the user Entered Property Address. Users must select to **“Accept GEOCode Address”, “Keep Entered Address”,** or **“Cancel”.** If the user notices the address was entered wrong they should select **“Cancel”** to return to the Eligibility page and make corrections (in this instance the user will again select **“Next”** at the bottom of the Eligibility page after correcting address.) The **“Address Notification”** popup box will again appear and the user should select the option which displays the most accurate rendering of the property address.

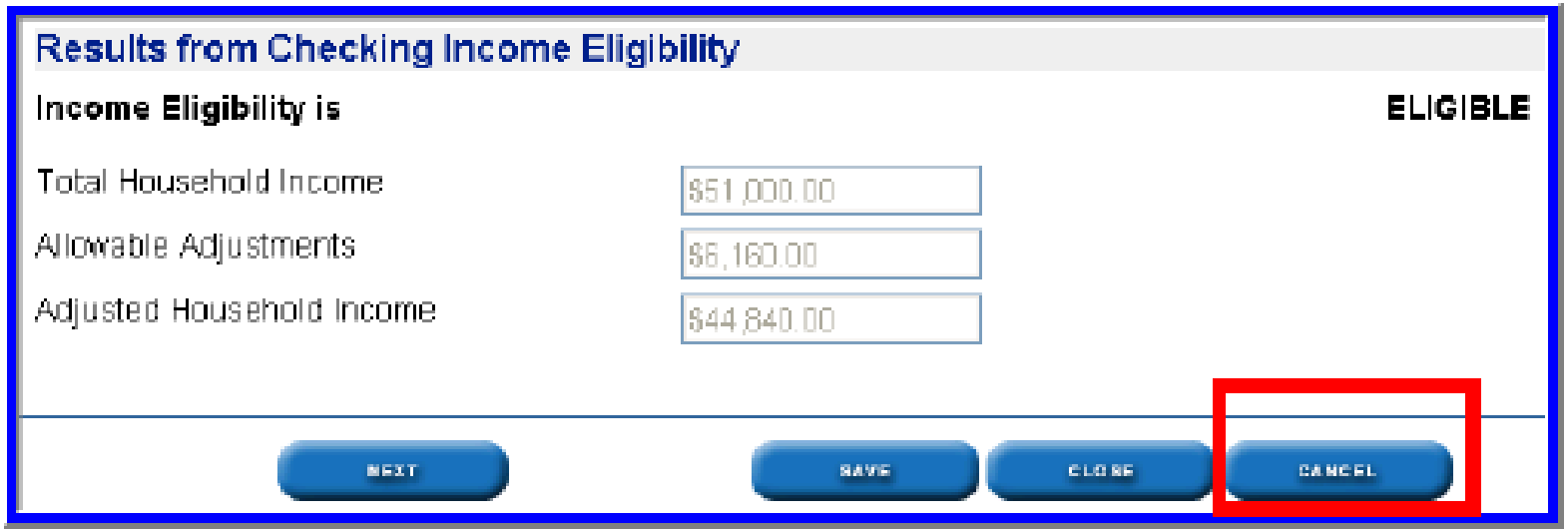


INCOME ELIGIBILITY

DO YOU NEED TO CANCEL THIS APPLICATION?

If the user determines the property or income is ineligible for a Guaranteed loan and wishes to terminate this application, click on **"Cancel".**

The application data entered will ***not*** be saved.

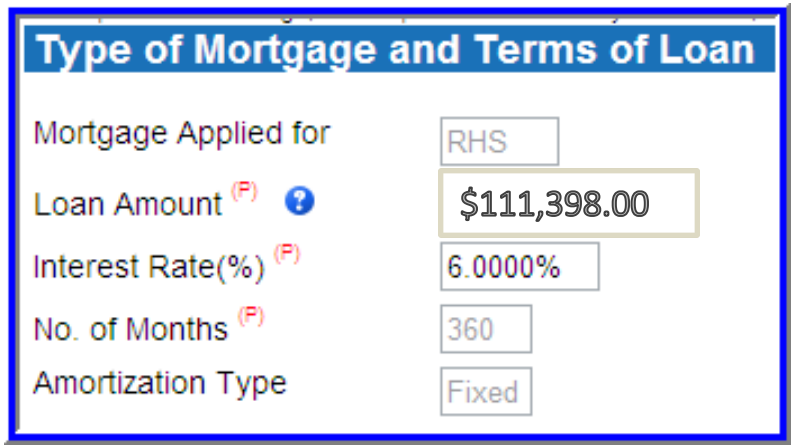


LOAN TERMS

Loan Amount

The Loan Terms page outlines the total loan amount, interest rate, and additional property information.

1.“Mortgage Applied for” will default to **“RHS”.**
2.Enter the **total “Loan Amount”.** The total loan amount should reflect the inclusion of any portion of the guarantee fee that may be financed (total loan amount cannot exceed the market value of the property plus the financed portion of the GRH guarantee fee).



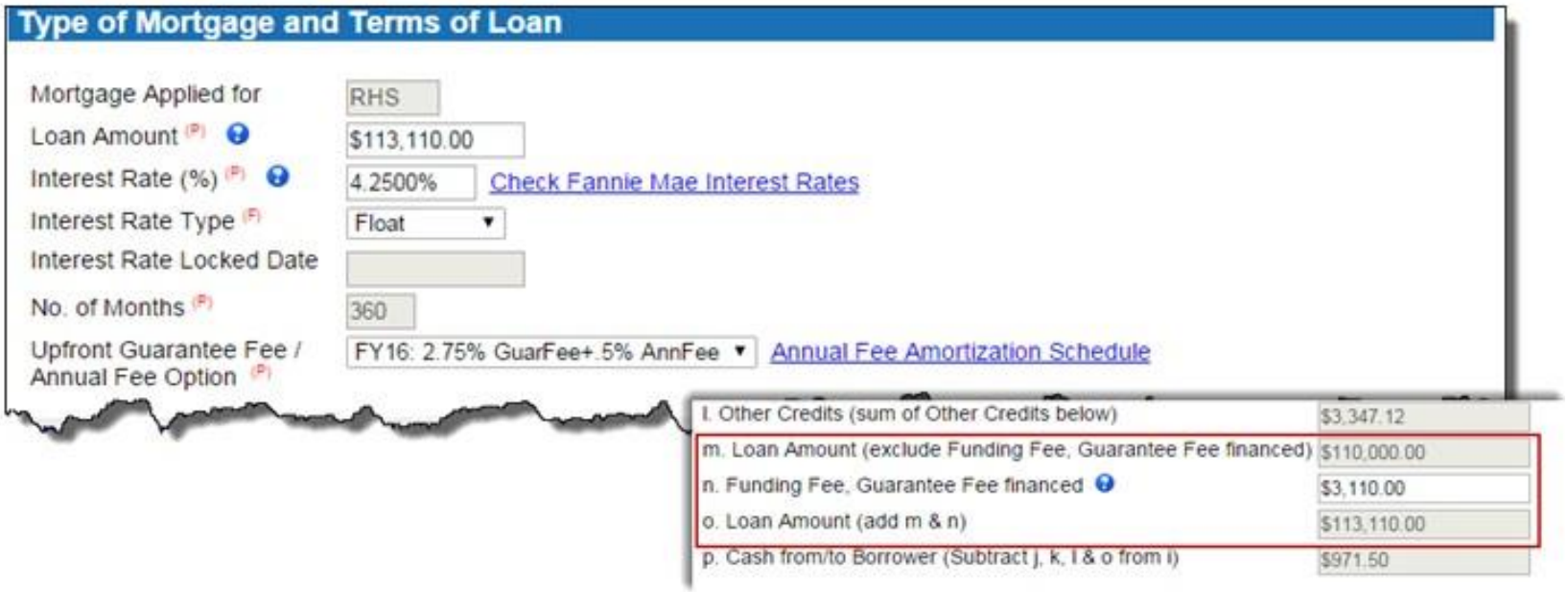
LOAN TERMS

Loan Amount

Total loan amount, including any portion of Guarantee Fee being financed

Base Loan Amount = $110,000

- $110,000 / .9725 = $113,110.54 (drop cents)
- Enter $113,110



LOAN TERMS

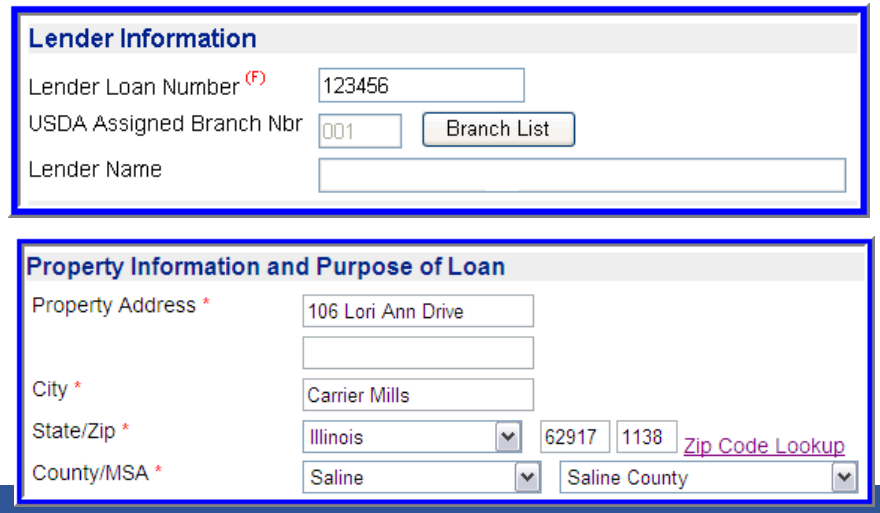
4.“No. of Months” will default to **“360”.**

5. “Amortization Type” will default to **“Fixed”.**

6.Enter the **“Lender Loan Number”** which is the **MSF Loan Number**. If not known, the user may return to this field and complete prior to a **final** submission.

7. “Lender Name” will pre-fill.

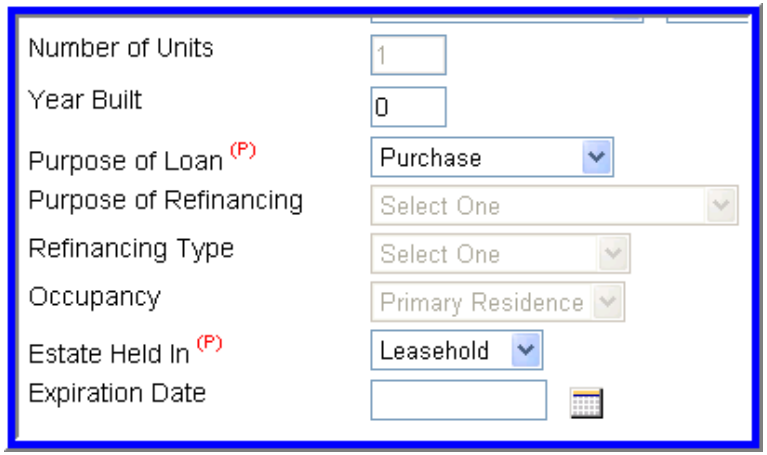
8. “Property Information” will populate with property address, city, state, county, MSA, and zip entered on the **“Eligibility”** page. The **“Zip Code Lookup”** link is available if the **“zip +4”** is unknown. Any update to the property address field will also be reflected on the **“Eligibility”** page of the application.



LOAN TERMS

10. **"Number of Units"** will default to **"1".**
11. Enter the **"Year Built";** the year the property was built.
12. Select the **"Purpose of Loan",** options include:
    - Construction Only ***(Note: MSF does not allow)***
    - Purchase
    - Refinance
13. **"Occupancy"** will default to **"Primary Residence".**
14. Select the **"Estate Held In".** Options include.
    - Fee Simple
    - Leasehold

If the property is held in Leasehold, enter the expiration date of the lease. A calendar icon is available to assist with determining the future expiration date. Click on the calendar icon to activate.



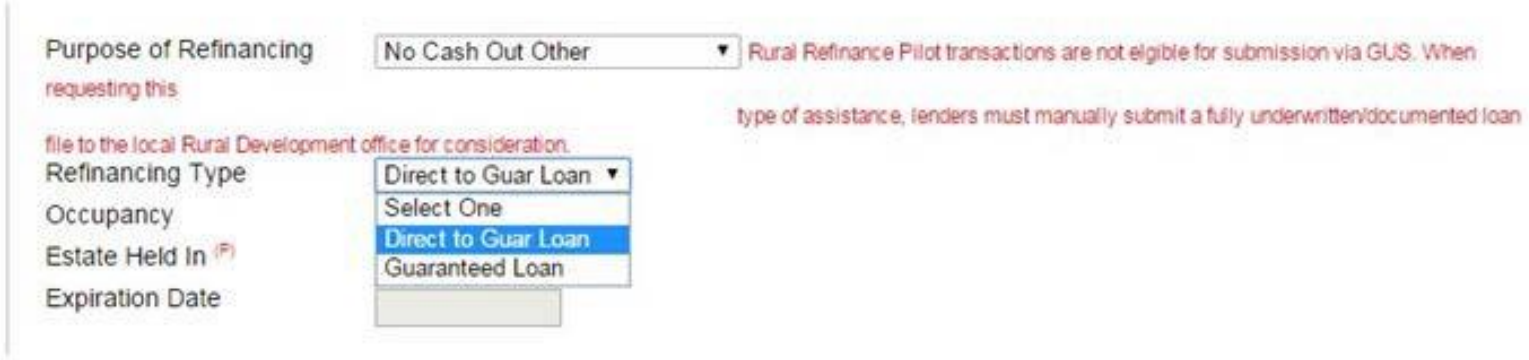
15. Click on **"Next"** to advance to the **"Borrower"** page.

LOAN TERMS

Refinance Loans

- **Purpose of Refinancing**
  - Always *No Cash Out Other*
  - MSF does offer *No Cash Out Streamline Refi*
- **Refinancing Type**
  - *Direct to Guar Loan* – current loan is Direct Loan
  - *Guaranteed Loan* – current loan is a Guaranteed Loan

Note: USDA Refinance can only be used to pay off current USDA loan

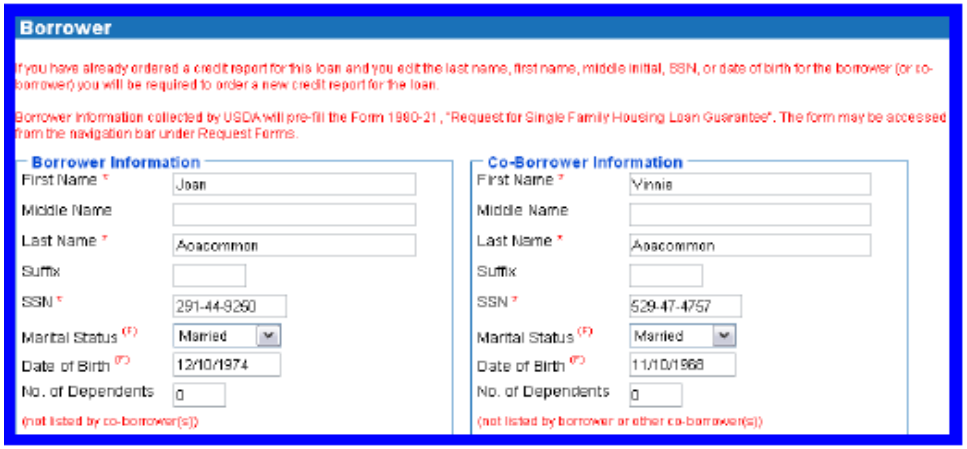


BORROWER

The Borrower page captures name, identifying characteristics, as well as current and previous housing history.

This screen is dynamic, displaying only the number of **"Borrower"** fields as selected by the user on the **"Eligibility"** page. Important messages in **red** shown at the top of the Borrower page caution the user to enter borrower data **exactly** as it appears on any valid credit report(s) previously issued for this borrower.

Failure to input matching information could result in requiring the user to order NEW credit in GUS.



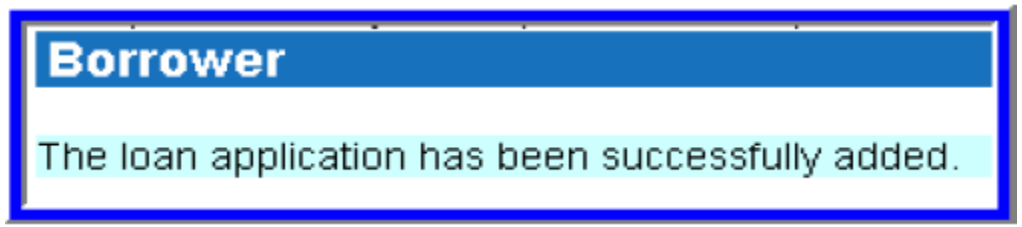
BORROWER

Borrower Name, Address, SSN
Match to 1003 and credit report

No. of Dependents
Do not list same dependents for multiple borrowers

Enter the **"Present Address"** for each borrower

After entering all required fields, click **"Save"** to successfully save the GUS application. When successfully saved, a confirmation will appear at the top of the **"Borrower"** page confirming **"The loan application has been successfully added".**

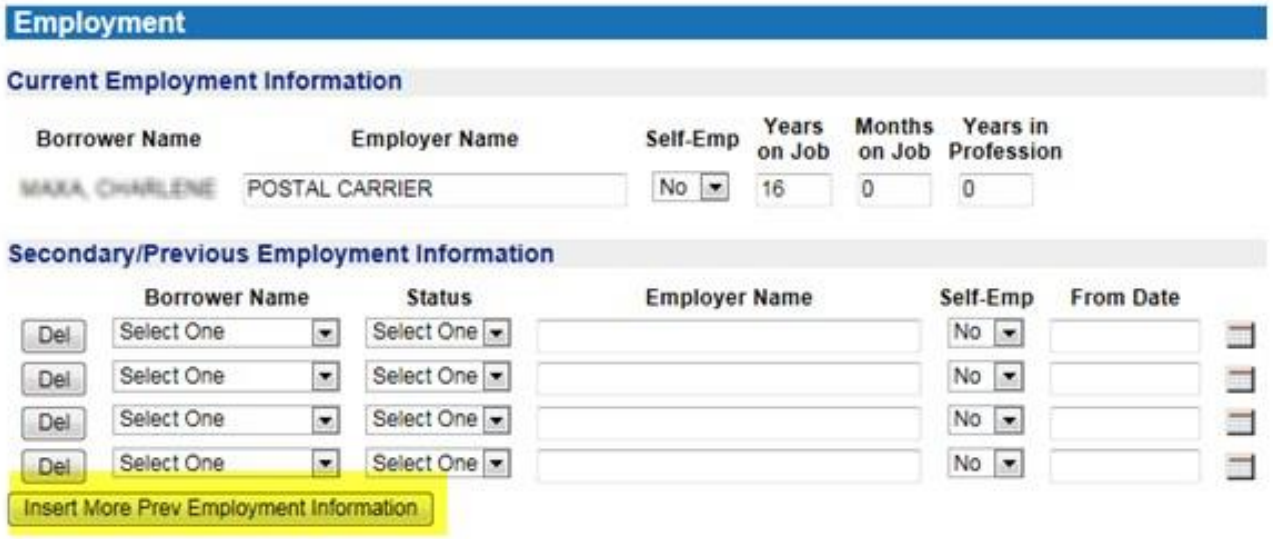


EMPLOYMENT

Employment Information

- Two year history required for all borrower for whom repayment income is being used.
- Complete required employment fields

Note: *Self-employment losses are to be deducted from the Borrower's* ***Base Income****.*



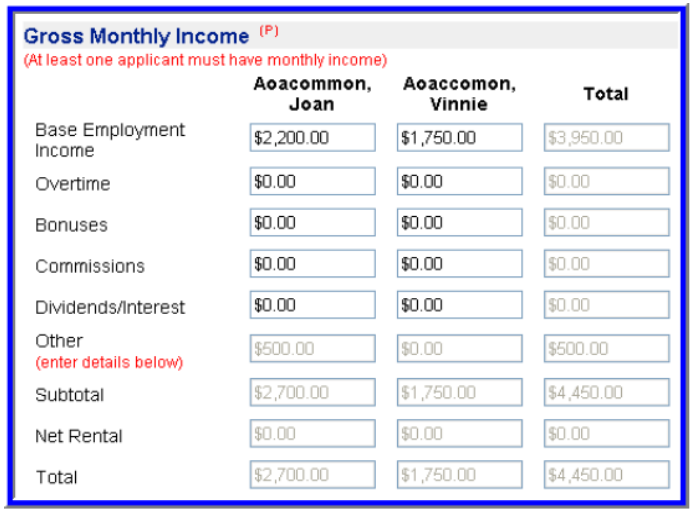
INCOME AND EXPENSES

The Income and Expenses page will capture the **repayment** income of the borrower(s). The Expenses portion will list the current rent or housing expenses compared to the proposed loan.

Monthly Repayment Income

- Only enter income for applicants
- Only repayment income, not all income as used for Annual Income
- Self-employment/Second job income entered in Base Employment Income

Note: Self-employment losses are to be deducted from the Borrower's repayment income but are not deducted from program qualifying income for eligibility.

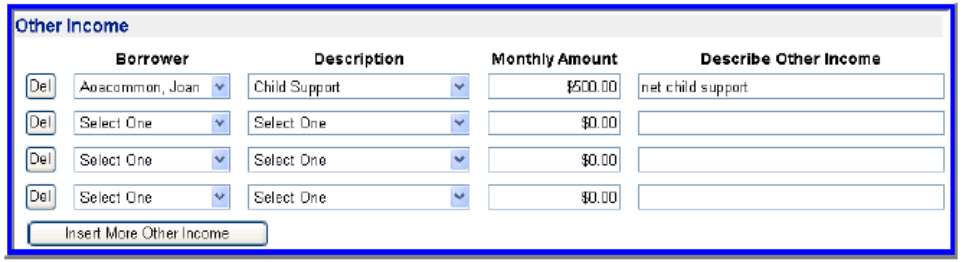


Gross Monthly Income (P)

(At least one applicant must have monthly income)

	Aoacommon, Joan	Aoaccomon, Vinnie	Total
Base Employment Income	$2,200.00	$1,750.00	$3,950.00
Overtime	$0.00	$0.00	$0.00
Bonuses	$0.00	$0.00	$0.00
Commissions	$0.00	$0.00	$0.00
Dividends/Interest	$0.00	$0.00	$0.00
Other (enter details below)	$500.00	$0.00	$500.00
Subtotal	$2,700.00	$1,750.00	$4,450.00
Net Rental	$0.00	$0.00	$0.00
Total	$2,700.00	$1,750.00	$4,450.00

- Net Rental populates from REO section



Other Income

	Borrower	Description	Monthly Amount	Describe Other Income
Del	Aoacommon, Joan	Child Support	$500.00	net child support
Del	Select One	Select One	$0.00	
Del	Select One	Select One	$0.00	
Del	Select One	Select One	$0.00	

Insert More Other Income

INCOME AND EXPENSES

Combined Monthly Housing Expense

- First Mortgage (P&I) calculates and populates automatically
- Annual Fee for First Year calculates and populates automatically
- Match all other fields to documentation in file
- Leave Rent as 0.00 if currently living rent-free

Combined Monthly Housing Expense

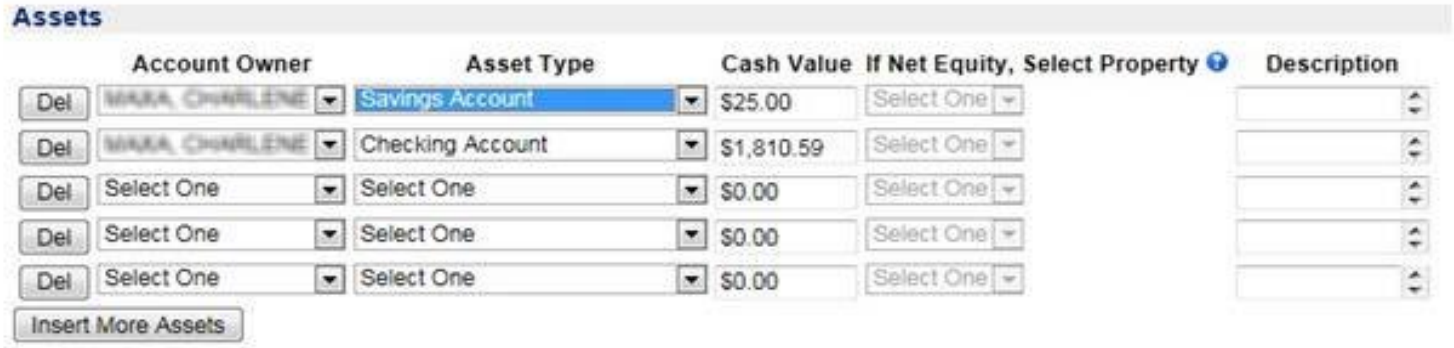
	Current	Proposed
	[redacted]	
Rent	$600.00	
First Mortgage (P&I)	$0.00	$556.43
Other Financing (P&I)	$0.00	$0.00
Hazard Insurance (property and flood insurance)	$0.00	$70.00
Real Estate Taxes	$0.00	$134.00
Annual Fee for First Year (Monthly)		$46.77
Homeowner Assn. Dues	$0.00	$0.00
Other	$0.00	$0.00
Total	$600.00	$807.20

ASSETS AND LIABILITIES

Assets

The Assets and Liabilities page will capture assets. Verified assets could offset risks associated with the underwriting recommendation. Liabilities recorded will determine debt ratios.

- **Enter each asset separately**
- **Net Equity requires selection of related property**
- **Gifts**
  - Given at closing – enter as Gifts Not Deposited
  - Given prior to closing – enter as Gifts Total



ASSETS AND LIABILITIES

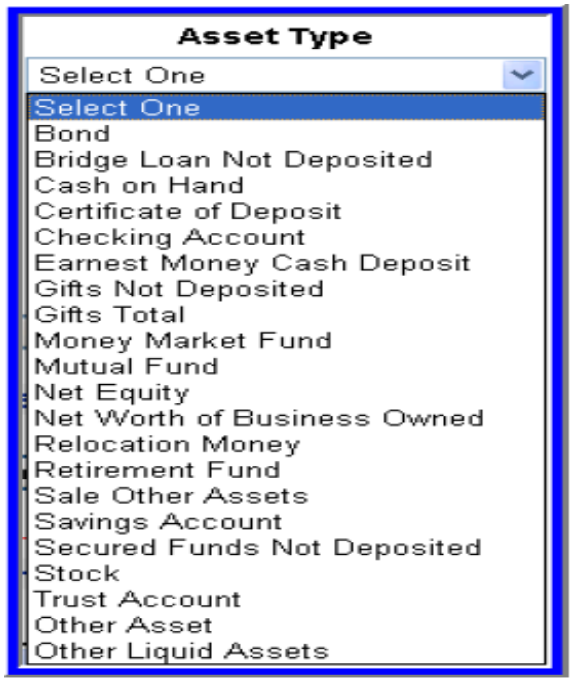
The options for **"Asset Type"** are listed, select the appropriate type.

Retirement accounts may be utilized as an asset at 60% of the vested balance.

Enter the cash value of life insurance as **"Other Liquid Asset"** if converted to cash prior to settlement.

To prevent duplicate entry of assets (which would result in misrepresentation to GUS), users should only enter the following asset types on the **"Asset and Liabilities"** page or the **"Other Credits"** section of the **"Transaction Details"** page:

- Earnest Money Cash Deposit



ASSETS AND LIABILITIES

REO Property Information

Match to 1003 and docs in file

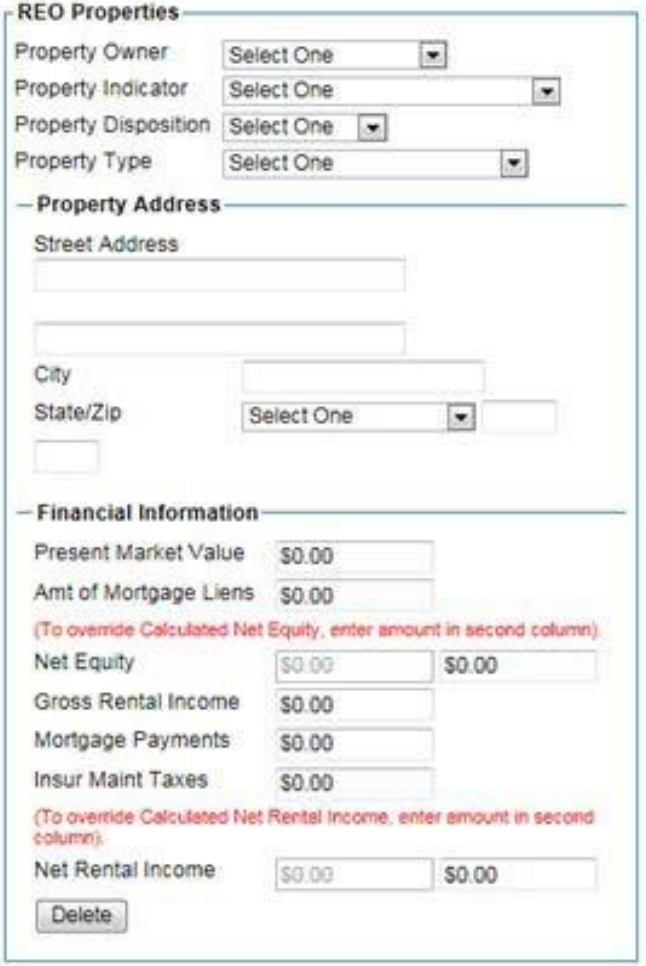
Net Equity automatically calculates similar to DU

- Override using second column
- If zero, enter 0.01

Net Rental automatically calculates similar to DU

- Override using second column
- If zero, enter 0.01

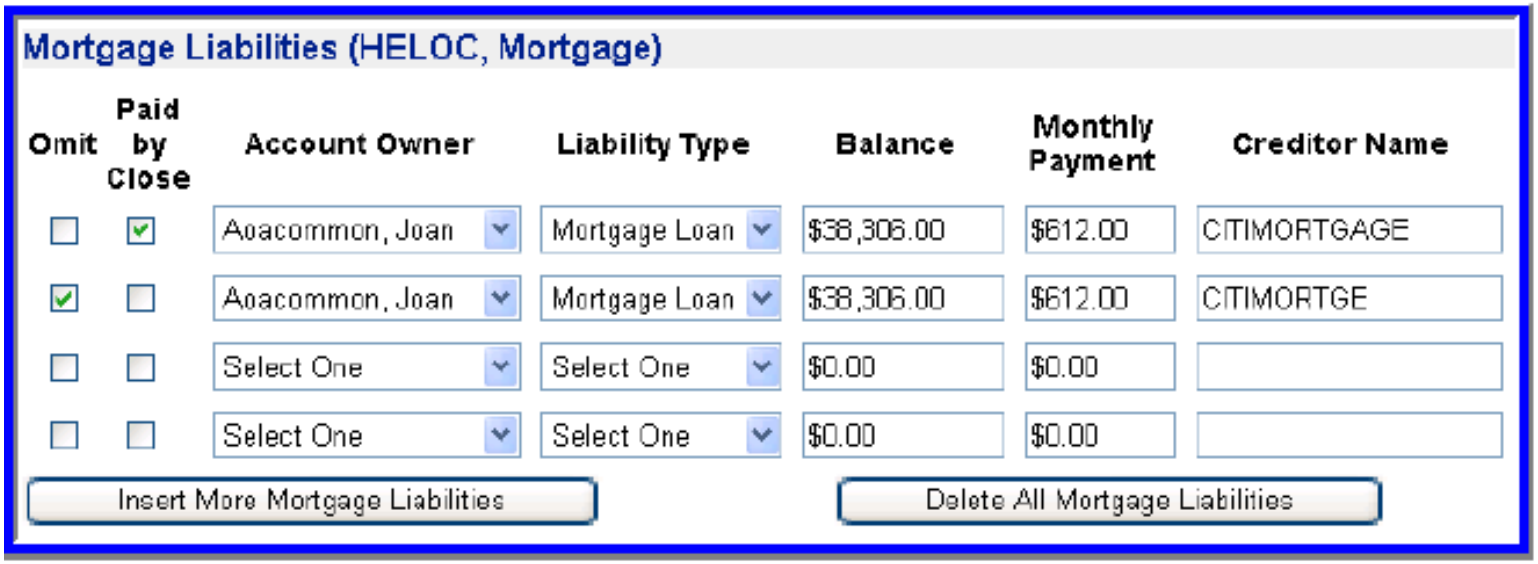
NOTE: Liabilities may be auto-populated from the Credit / Underwriting page.



ASSETS AND LIABILITIES

Mortgage Liabilities (HELOC, Mortgage)

- Omit if property sold prior to application
- Paid by Close if property is Pending Sale
- Related Property required for each



ASSETS AND LIABILITIES

Other Liabilities

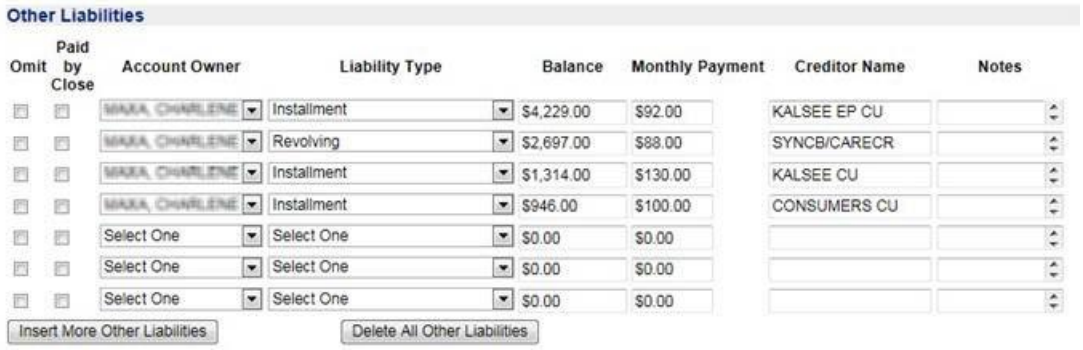
Match to credit report

Manually enter any undisclosed debts

Manually enter one liability for non-borrowing spouse debt

- Use **"Liability Type"** *Other Liability*
- Combine all balance and payments for liabilities not held jointly with applicant

Enter Notes for any account marked as Omit (i.e. collection accounts)



ASSETS AND LIABILITIES

Additional Expenses

- Add all non-credit report liabilities

TRANSACTION DETAILS

Details of Transaction

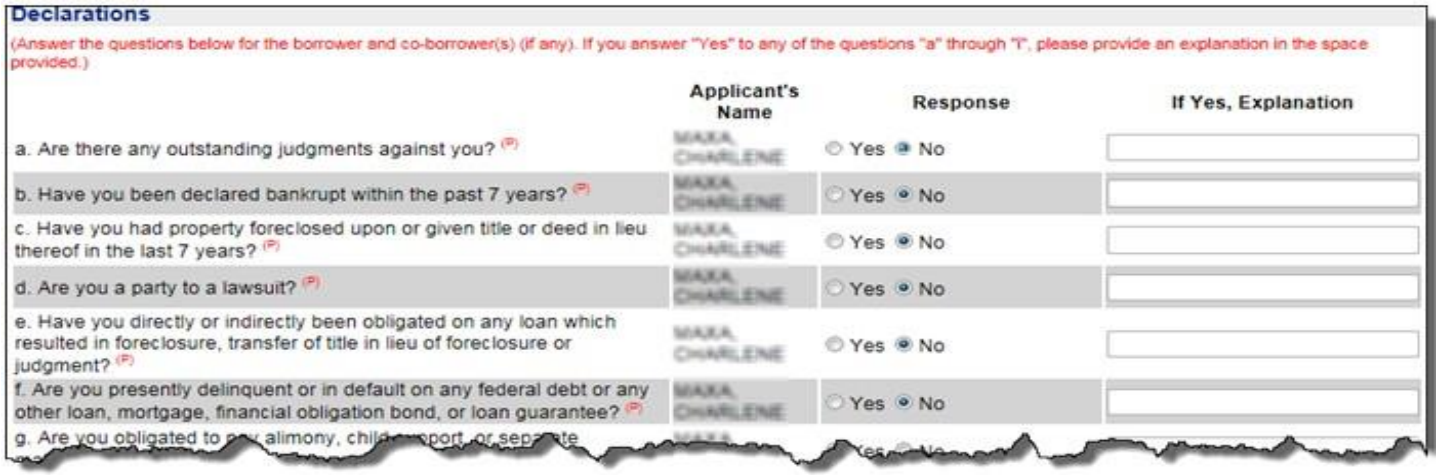
Each portion associated with the loan is identified and automatically totaled.

- Refinance Amount populates based on Paid by Close liabilities
- Funding Fee, Guarantee Fee populates based on Loan Amount entered in Loan Terms
- Loan Amount (excluding Funding Fee, Guarantee Fee financed) populates based on Loan Amount entered in Loan Terms minus amount entered in Funding Fee, Guarantee Fee financed

TRANSACTION DETAILS

Declarations

- If the borrower(s) does not wish to furnish this information, the lender must make a visual observation. GUS will not render an underwriting recommendation if these fields are not completed.
- Any answered Yes require explanation
- ***Failure to enter an explanation will prevent the user from submitting the GUS application for an underwriting recommendation.***
- Non-US Citizens – complete SAVE on Additional Data page



Declarations

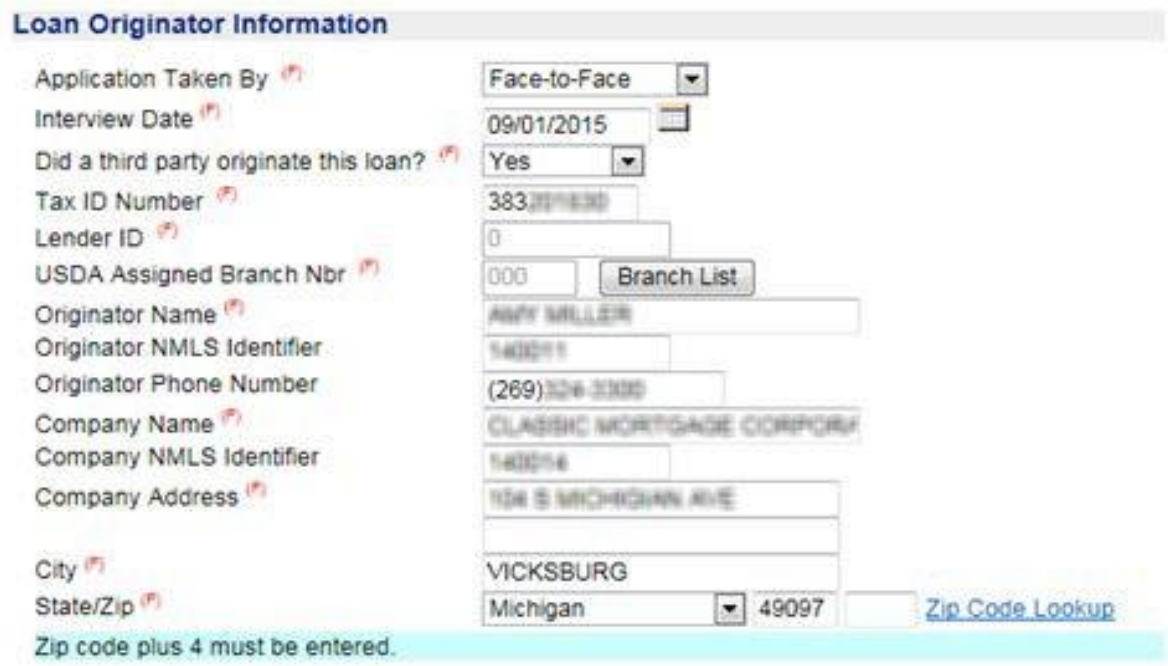
(Answer the questions below for the borrower and co-borrower(s) (if any). If you answer "Yes" to any of the questions "a" through "i", please provide an explanation in the space provided.)

	Applicant's Name	Response	If Yes, Explanation
a. Are there any outstanding judgments against you? (P)	MAXA, CHARLENE	○ Yes ◉ No	
b. Have you been declared bankrupt within the past 7 years? (P)	MAXA, CHARLENE	○ Yes ◉ No	
c. Have you had property foreclosed upon or given title or deed in lieu thereof in the last 7 years? (P)	MAXA, CHARLENE	○ Yes ◉ No	
d. Are you a party to a lawsuit? (P)	MAXA, CHARLENE	○ Yes ◉ No	
e. Have you directly or indirectly been obligated on any loan which resulted in foreclosure, transfer of title in lieu of foreclosure or judgment? (P)	MAXA, CHARLENE	○ Yes ◉ No	
f. Are you presently delinquent or in default on any federal debt or any other loan, mortgage, financial obligation bond, or loan guarantee? (P)	MAXA, CHARLENE	○ Yes ◉ No	
g. Are you obligated to pay alimony, child support, or separate	MAXA	Yes No	

TRANSACTION DETAILS

Loan Originator Information

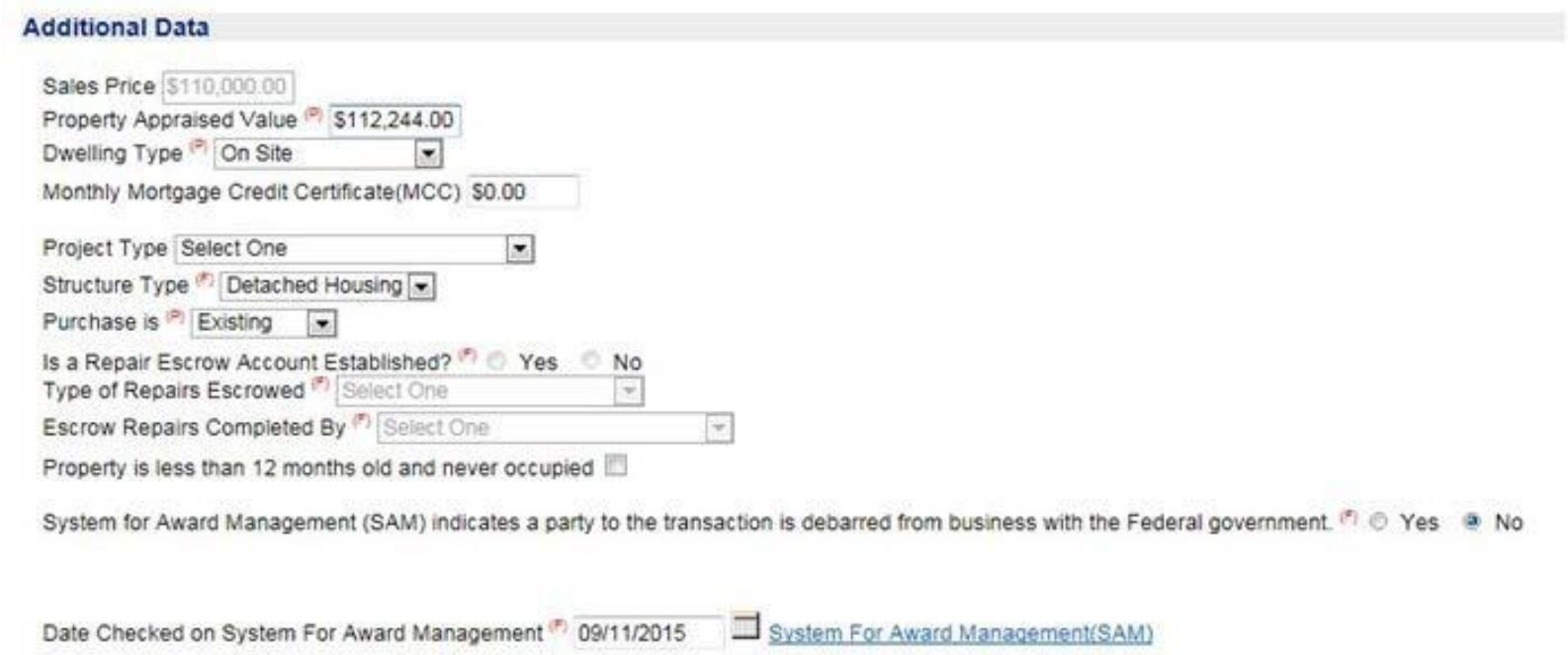
- **"Did a third party originate this loan?"** field must be **"Yes"**
- **"Tax ID Number"** enter the Broker/EMB Tax ID Number in this field
- **"Originator"** fields (Name, NMLS, Phone, Company, etc.) are all Broker/EMB information.



ADDITIONAL DATA

Additional Data

- Complete all fields according to sales contract and appraisal
- Confirm SAM reviewed for all parties involved in transaction



ADDITIONAL DATA

Requirements Checks

- RHS Thermal and Site Standards – applies to new construction
- HUD Handbook Standards – applies to existing homes
  - HUD Handbook 4000.1 has replaced handbooks 4150.2 and 4905.1
- CAIVRS runs automatically

ADDITIONAL DATA

Additional Borrower Information

- Answers to first three questions provided on Initial 3555.21
- Answer to final question based on results of SAM search

Additional Borrower Information
(Check all that apply)

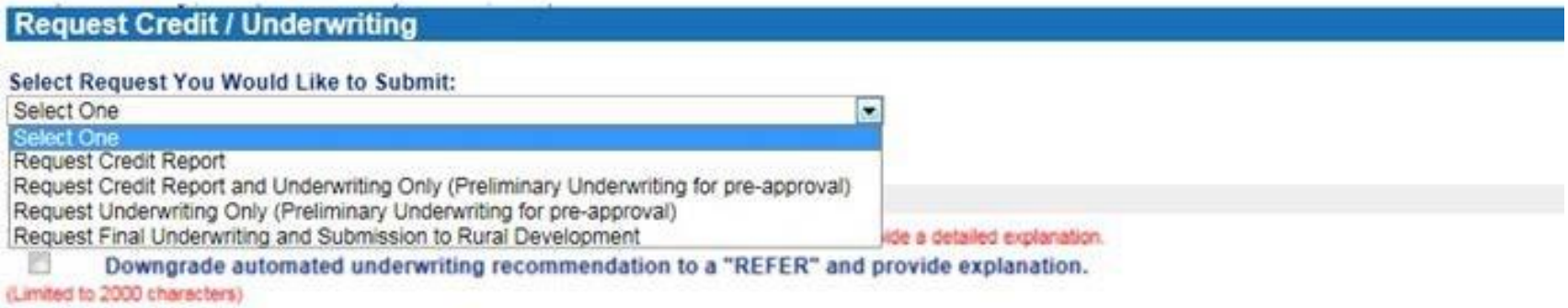
	Applicant's Name	Response
Do you have a relationship with any Rural Development employee?	MARA, CHARLENE	No Relationship
Are you a veteran?	MARA, CHARLENE	Yes / No
Are you disabled?	MARA, CHARLENE	Yes / No
Are you debarred from doing business with the federal government?	MARA, CHARLENE	Yes / No

Veteran: ☐ Yes ☑ No ***Disabled:*** ☐ Yes ☑ No ***Gender:*** ☐ M ☑ F ***First Time Homebuyer:*** ☑ Yes ☐ No	***Veteran:*** ☐ Yes ☐ No ***Disabled:*** ☐ Yes ☐ No ***Gender:*** ☐ M ☐ F ***First Time Homebuyer:*** ☐ Yes ☐ No
Ethnicity: *(Check only One Box)* ☐ Hispanic or Latino ☑ Not Hispanic or Latino	***Ethnicity:*** *(Check only One Box)* ☐ Hispanic or Latino ☐ Not Hispanic or Latino
(Check as many boxes as applicable) ***Race:*** ☐ American Indian or Alaska Native ☐ Asian ☐ Black or African American ☐ Native Hawaiian or Other Pacific Islander ☑ White	*(Check as many boxes as applicable)* ***Race:*** ☐ American Indian or Alaska Native ☐ Asian ☐ Black or African American ☐ Native Hawaiian or Other Pacific Islander ☐ White
Marital Status: ☐ Married ☐ Separated ☑ Unmarried	***Marital Status:*** ☐ Married ☐ Separated ☐ Unmarried
The applicant ☐ has ☑ does not have a relationship with any current Rural Development employee. Explain:	The applicant ☐ has ☐ does not have a relationship with any current Rural Development employee. Explain:

CREDIT / UNDERWRITING

Select Request You Would Like to Submit

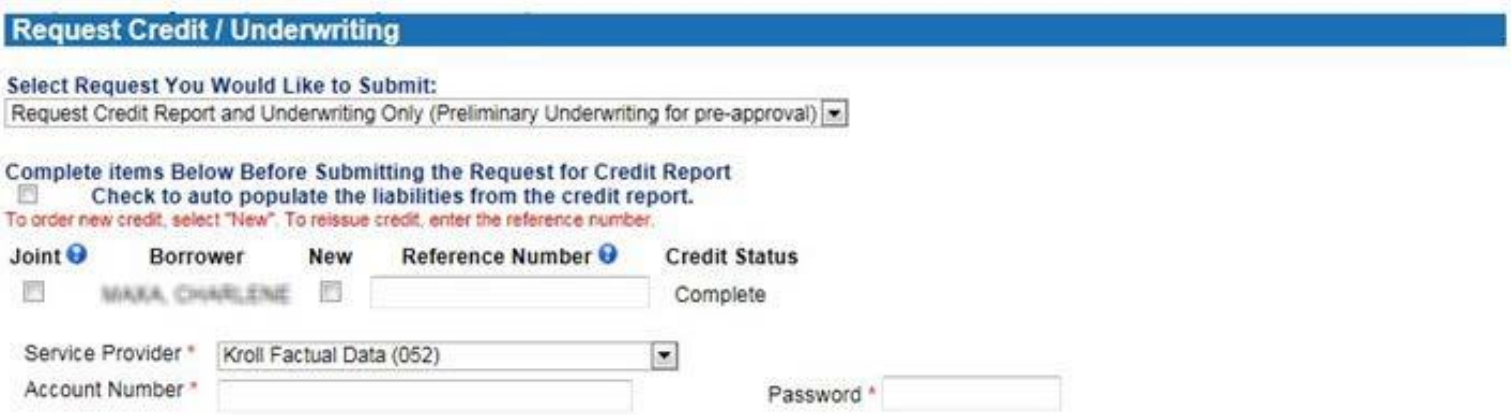
- Request Credit Report
- Request Credit and Underwriting (Preliminary)
- Request Underwriting Only (Preliminary)



CREDIT / UNDERWRITING

Credit Request

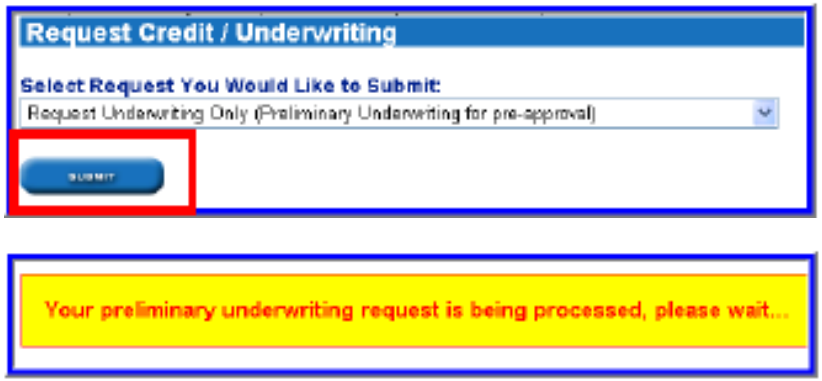
- **"Check box to auto-populate the liabilities from the credit report"**
- Check **"Joint"** when multiple applicants appear on same report
- Check **"New"** if credit report is being ordered through GUS; or leave un-checked and enter a **"Reference Number"** if reissuing credit

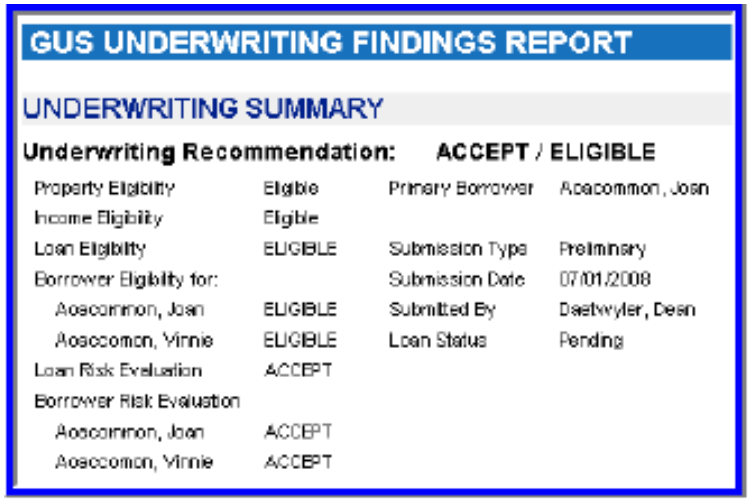


A message will display at the top of the "Credit/Underwriting" page alerting the user that the request is being processed.

CREDIT / UNDERWRITING

- Click on **"Submit"** to obtain preliminary underwriting from the dropdown box select **"Request Underwriting Only (Preliminary Underwriting for pre-approval)".**
- A confirmation message will appear at the top of the page, **"Your preliminary underwriting request is being processed, please wait".**
- The **"Underwriting Findings Report"** will display.
- The GUS Underwriting Report confirms whether GUS has successfully performed a preliminary underwriting of the application.
- The GUS Underwriting Report is comprised of three sections:
  - Underwriting Findings Report
  - Underwriting Analysis Report
  - Credit Report Summary Report

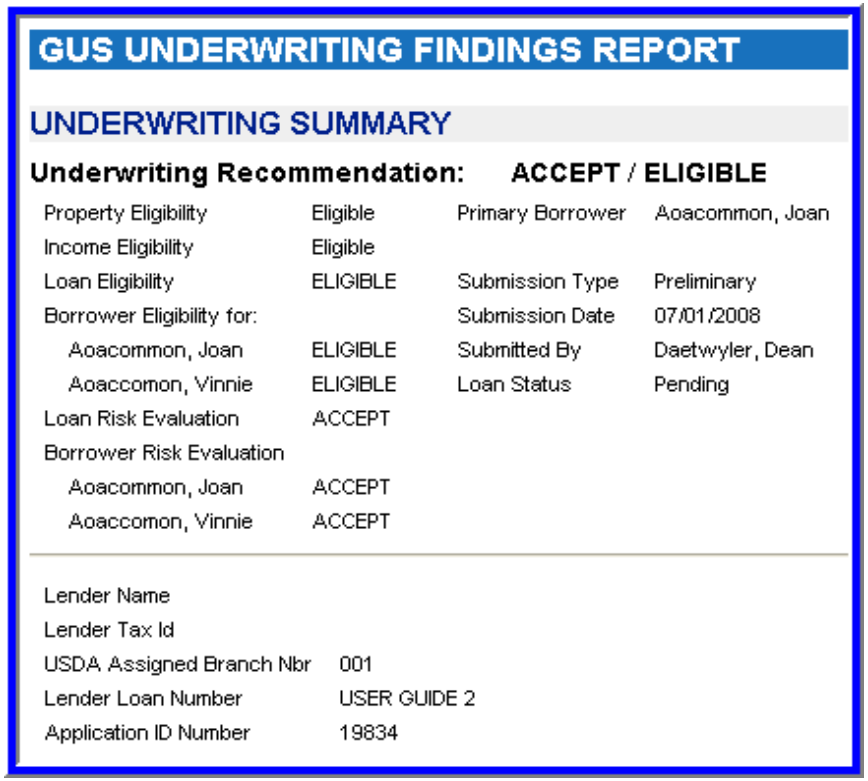




VIEW FINDINGS

Underwriting Summary

- Underwriting Recommendation
- Breaks down property, income, loan, and borrower



GUS UNDERWRITING FINDINGS REPORT

UNDERWRITING SUMMARY

Underwriting Recommendation: ACCEPT / ELIGIBLE

Property Eligibility	Eligible	Primary Borrower	Aoacommon, Joan
Income Eligibility	Eligible		
Loan Eligibility	ELIGIBLE	Submission Type	Preliminary
Borrower Eligibility for:		Submission Date	07/01/2008
Aoacommon, Joan	ELIGIBLE	Submitted By	Daetwyler, Dean
Aoaccomon, Vinnie	ELIGIBLE	Loan Status	Pending
Loan Risk Evaluation	ACCEPT		
Borrower Risk Evaluation			
Aoacommon, Joan	ACCEPT		
Aoaccomon, Vinnie	ACCEPT		

Lender Name	
Lender Tax Id	
USDA Assigned Branch Nbr	001
Lender Loan Number	USER GUIDE 2
Application ID Number	19834

VIEW FINDINGS

Mortgage Information

- Summary of loan terms and characteristics

MORTGAGE INFORMATION

LTV	99.7217%			Note Rate	6.0%
PITI Ratio	21.5207%	Monthly PITI	$957.67	Loan Type	RHS
		Other Monthly Debt	$208.00	Loan Term	360
TD Ratio	26.1948%	Total Monthly Debt	$1,165.67	Amortization Type	Fixed
Loan Amount	$109,693.88			Loan Purpose	Purchase
Sales Price	$105,000.00			Refinance Purpose	N/A
Appraised Value	$110,000.00			Payment Shock	12.6671%
Monthly MCC	$0.00			Cash Reserves	$25,541.00
2-1 Buy Down	No			Months of Cash Reserves	26

Property Information

- Verifies property address and eligibility status

PROPERTY INFORMATION

Property Address 106 Lori Ann Drive, Carrier Mills, IL 62917

Subject property is located in an eligible area.

PROPERTY ELIGIBILITY FINDINGS

1. There were no property eligibility findings issued.

VIEW FINDINGS

Income Information

- Verifies annual income information submitted, and eligibility status

INCOME ELIGIBILITY

County	Kalamazoo
Metropolitan Area (MSA)	Kalamazoo-Portage
Number of People in Household	2
Is Loan Applicant or Co-Applicant age 62 or older?	No
Annual Medical Expenses	$0.00
Medical Care Deductions	$0.00
Number of Residents Under 18 Years Old, Disabled, or Full Time Students 18 Years of age or greater	1
Annual Child Care Expenses	$0.00
Annual Allowable Child Deduction	$480.00
Are there any Disabled Persons living in the household?	No
Annual Disability Expenses	$0.00
Total Household Income	$58,152.00
Allowable Adjustments	$480.00
Adjusted Household Income (Round to nearest $10)	$57,670.00
Maximum Allowable Adjusted Household Income	$75,650.00

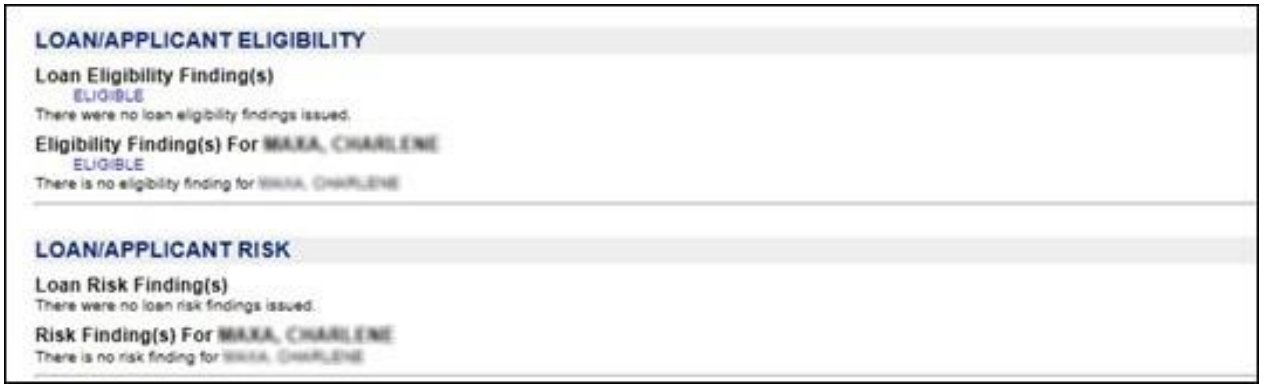
INCOME ELIGIBILITY FINDINGS

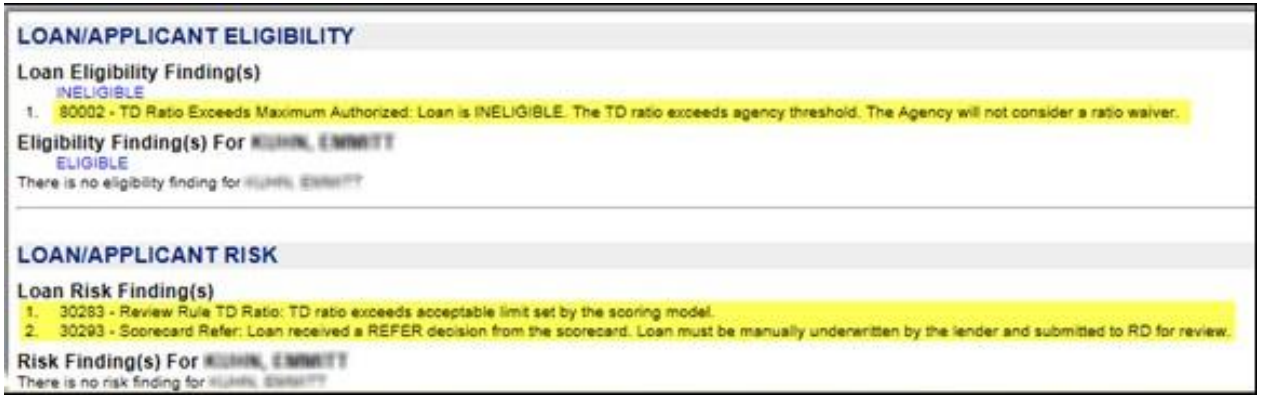
There were no household income eligibility findings issued.

VIEW FINDINGS

Loan / Applicant Eligibility and Loan / Applicant Risk

- Confirms eligibility status regarding guidelines being met
- Identifies specific issues (ratios, credit score, etc.)

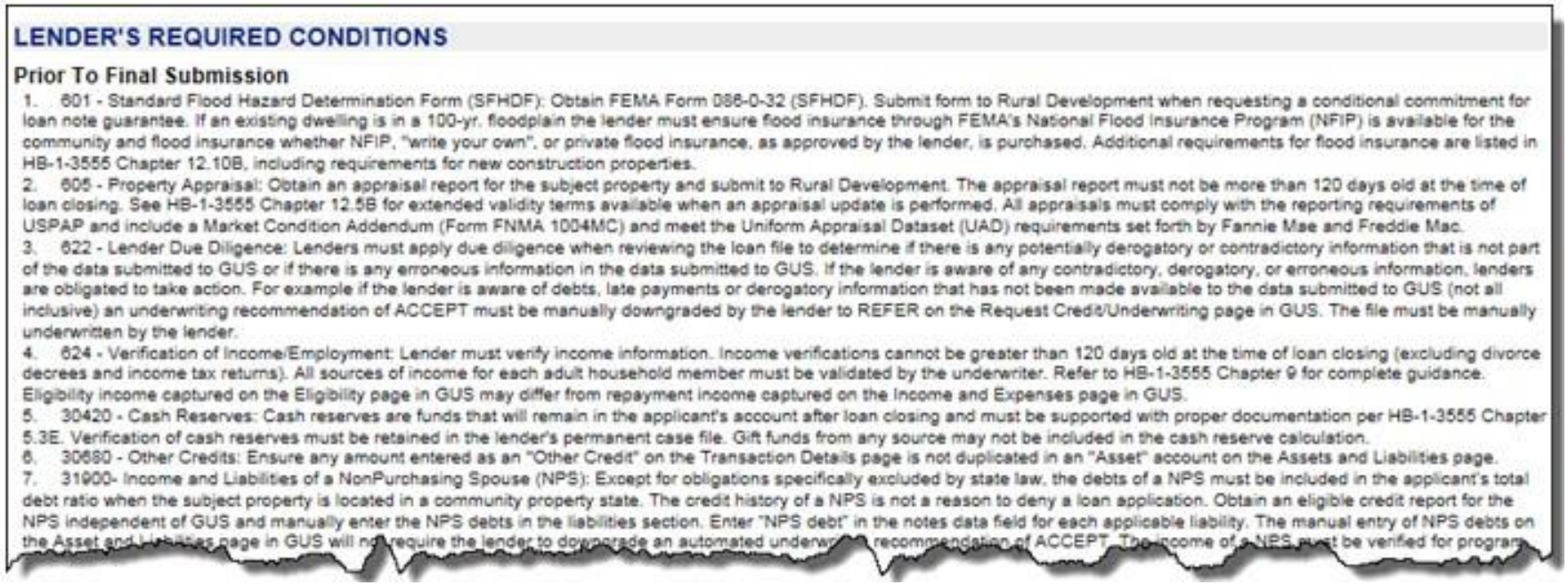




VIEW FINDINGS

Lender's Required Conditions

- Some are general and appear on all loans
- Some are specific to subject loan
- READ ALL CONDITIONS



LENDER'S REQUIRED CONDITIONS

Prior To Final Submission

1. 601 - Standard Flood Hazard Determination Form (SFHDF): Obtain FEMA Form 086-0-32 (SFHDF). Submit form to Rural Development when requesting a conditional commitment for loan note guarantee. If an existing dwelling is in a 100-yr. floodplain the lender must ensure flood insurance through FEMA's National Flood Insurance Program (NFIP) is available for the community and flood insurance whether NFIP, "write your own", or private flood insurance, as approved by the lender, is purchased. Additional requirements for flood insurance are listed in HB-1-3555 Chapter 12.10B, including requirements for new construction properties.
2. 605 - Property Appraisal: Obtain an appraisal report for the subject property and submit to Rural Development. The appraisal report must not be more than 120 days old at the time of loan closing. See HB-1-3555 Chapter 12.5B for extended validity terms available when an appraisal update is performed. All appraisals must comply with the reporting requirements of USPAP and include a Market Condition Addendum (Form FNMA 1004MC) and meet the Uniform Appraisal Dataset (UAD) requirements set forth by Fannie Mae and Freddie Mac.
3. 622 - Lender Due Diligence: Lenders must apply due diligence when reviewing the loan file to determine if there is any potentially derogatory or contradictory information that is not part of the data submitted to GUS or if there is any erroneous information in the data submitted to GUS. If the lender is aware of any contradictory, derogatory, or erroneous information, lenders are obligated to take action. For example if the lender is aware of debts, late payments or derogatory information that has not been made available to the data submitted to GUS (not all inclusive) an underwriting recommendation of ACCEPT must be manually downgraded by the lender to REFER on the Request Credit/Underwriting page in GUS. The file must be manually underwritten by the lender.
4. 624 - Verification of Income/Employment: Lender must verify income information. Income verifications cannot be greater than 120 days old at the time of loan closing (excluding divorce decrees and income tax returns). All sources of income for each adult household member must be validated by the underwriter. Refer to HB-1-3555 Chapter 9 for complete guidance. Eligibility income captured on the Eligibility page in GUS may differ from repayment income captured on the Income and Expenses page in GUS.
5. 30420 - Cash Reserves: Cash reserves are funds that will remain in the applicant's account after loan closing and must be supported with proper documentation per HB-1-3555 Chapter 5.3E. Verification of cash reserves must be retained in the lender's permanent case file. Gift funds from any source may not be included in the cash reserve calculation.
6. 30680 - Other Credits: Ensure any amount entered as an "Other Credit" on the Transaction Details page is not duplicated in an "Asset" account on the Assets and Liabilities page.
7. 31900- Income and Liabilities of a NonPurchasing Spouse (NPS): Except for obligations specifically excluded by state law, the debts of a NPS must be included in the applicant's total debt ratio when the subject property is located in a community property state. The credit history of a NPS is not a reason to deny a loan application. Obtain an eligible credit report for the NPS independent of GUS and manually enter the NPS debts in the liabilities section. Enter "NPS debt" in the notes data field for each applicable liability. The manual entry of NPS debts on the Asset and Liabilities page in GUS will not require the lender to downgrade an automated underwriting recommendation of ACCEPT. The income of a NPS must be verified for program

VIEW FINDINGS

GUS Underwriting Analysis Report

- Summary of property, income, expenses, and funds – as submitted to GUS

GUS UNDERWRITING ANALYSIS REPORT

PROPERTY INFORMATION

Property Address	tbd, vicksburg, MI 49097	Estate Held In	Fee Simple
Property Appraised Value	$112,244.00	RHS Thermal Indicator	
Sales Price	$110,000.00	HUD Compliance Indicator	Yes
Purchase is	Existing	Property Type	Detached Housing
Type of Construction	On Site		

REPAYMENT INCOME

Base Employment Income	$4,846.00
Overtime	$0.00
Bonuses	$0.00
Commission	$0.00
Dividends/Interest	$0.00
Other Income	$0.00
Net Rental Income	$0.00
Total Repayment Income	**$4,846.00**

EXPENSES

Housing Expenses

	Current	Proposed
Rent	$600.00	
First Mortgage (P&I)	$0.00	$656.43

VIEW FINDINGS

Credit Report

- Status must be ***Complete***

CREDIT REPORT

Aoacommon, Joan

Credit Report Status	Complete
Provider Name/Number of Request	CIBMS / 051
Credit Report Type	Joint / New
Reference Number	18442282
Date Issued	07/01/2008
Date Last Updated	07/01/2008
To View/Print credit report click here:	CREDIT REPORT

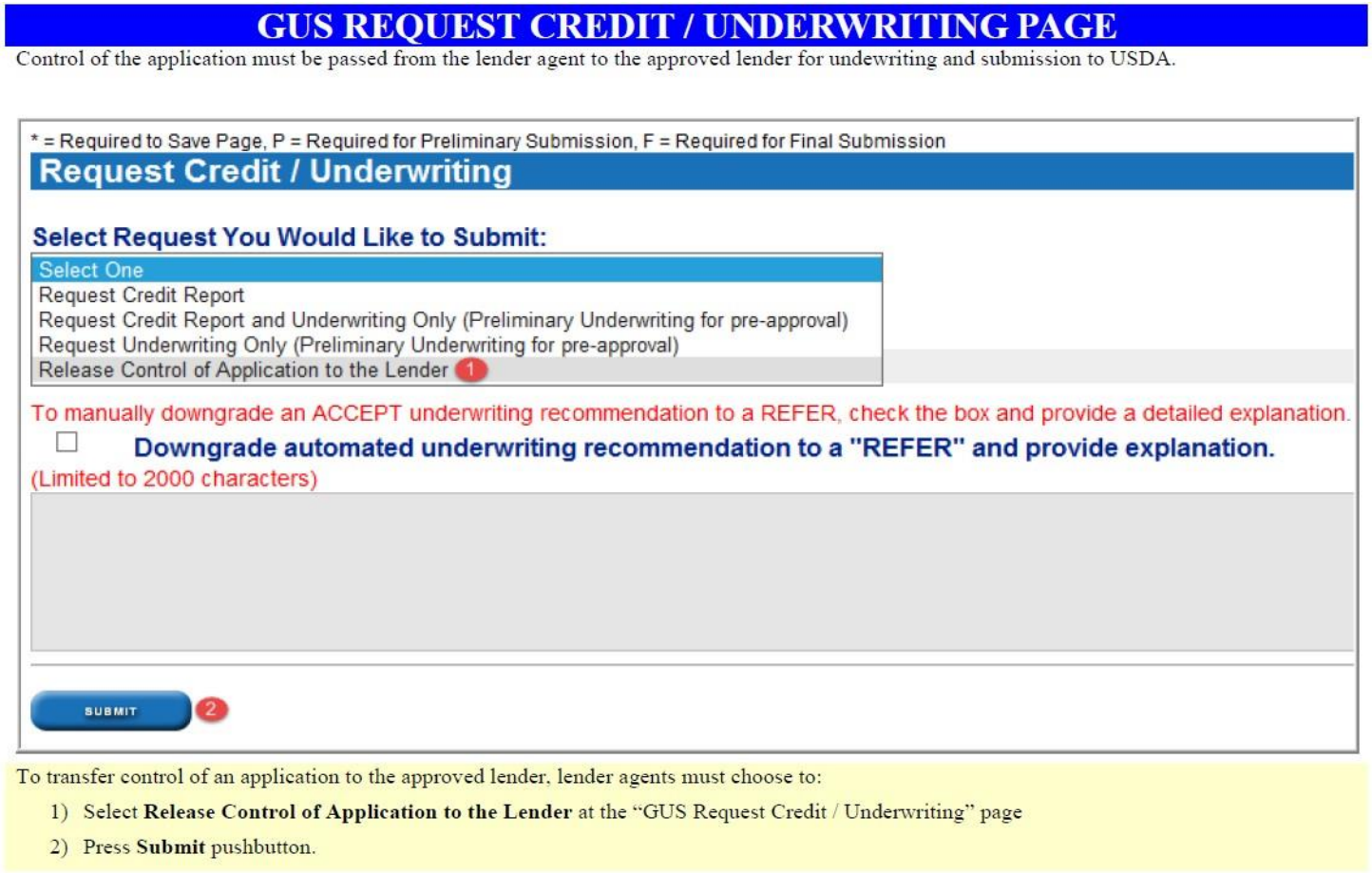
Aoaccomon, Vinnie

Credit Report Status	Complete
Provider Name/Number of Request	CIBMS / 051
Credit Report Type	Joint / New
Reference Number	18442282
Date Issued	07/01/2008
Date Last Updated	07/01/2008
To View/Print credit report click here:	CREDIT REPORT

The following credit score, as obtained by the credit agency selected by the user, was used as the indicator score:

Borrower	Credit Score	Credit Repository
Aoacommon, Joan	648	EQUIFAX
Aoaccomon, Vinnie	603	TRANS UNION

RELEASE FINDINGS



To transfer control of an application to the approved lender, lender agents must choose to:

1) Select **Release Control of Application to the Lender** at the "GUS Request Credit / Underwriting" page
2) Press **Submit** pushbutton.

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