



USDA Fixed Rate

See full Product Guide for complete information.

Revised 06-29-20

Given the current situation associated with COVID-19, refer to Credit Policy 20-07B for temporary guidance related to certain credit, income and collateral requirements.

Loan Amount and LTVs	<ul style="list-style-type: none"> Maximum loan amount is based on an amount for which the borrower qualifies as determined by their income and repayment ability up to 100% of the appraised value of the property. 100% LTV of appraised value, or the cost of acquisition and necessary development including those purposes in HB 3555, Chapter 6, whichever is less, without the guarantee fee. The LTV may only exceed 100% by the amount of the Guarantee Fee, if all is financed. If the borrower does not finance the guarantee fee, the LTV may not exceed 100%. No maximum CLTV 	
Amortization	30 Year	
Terms	<ul style="list-style-type: none"> 360 months only Assumptions must be prior approved by FMC and USDA, meeting all requirements detailed within HB 3555, Chapter 17. The new borrower must meet all standard USDA guidelines; current borrower will not be granted a release of liability. 	
Upfront Guarantee Fee & Annual Fee	<ul style="list-style-type: none"> 1.00% Guarantee Fee for all transactions 0.35% Annual Fee (of the outstanding balance) for all transactions 	
Secondary Financing	<ul style="list-style-type: none"> Purchase Transactions: Not permitted. Refinance Transactions: <ul style="list-style-type: none"> If subordinate financing exists, the maximum CLTV is as referenced above. No new subordinate financing is permitted for refinance transactions. Subordinate financing, such as home equity seconds and down payment assistance "silent" seconds, cannot be included in the new loan amount. 	
Buydown	Temporary Buydown not permitted	
Eligible Property Types	<ul style="list-style-type: none"> 1 Unit Multi-Width Manufactured Housing Warrantable Condo/PUD/Townhouse 	
Ineligible Property Types	<ul style="list-style-type: none"> Single-Width Manufactured Housing Manufactured Housing located in condo communities 2-4 Units Non-warrantable Condo/PUD/Townhouse Timeshare Working Farm Mixed Use Mobile Home Cooperative Condo/PUD Hotel 	<ul style="list-style-type: none"> Commercial Property Life Estates Properties with Resale Deed Restrictions Community Land Trust (other than age restricted) Leasehold Estates Properties located in Lava Zones 1 & 2 Properties not located in the agency designated rural area. Exceptions may be considered for refinance transactions for areas that have been determined to be non-rural since the existing loan was made.
Occupancy	Primary Residence Only	

<p>Refinance Transactions</p>	<p>Streamline Refinance</p> <ul style="list-style-type: none"> • The refinance loan amount cannot exceed the original loan amount/note amount (i.e. the original purchase loan amount will establish the maximum loan amount of the refinance transaction). The refinance loan amount may include the outstanding principal balance (including current interest charges due along with reasonable and customary fee for reconveyance) of the existing USDA loan and any amount of the upfront guarantee fee to be financed into the loan. Delinquent interest, closing costs or lender fees may not be financed into the new loan. A new appraisal is not required. The GUS system may be utilized for approval; streamlined refinances will utilize the original loan amount established in the Guaranteed Loan System (GLS). <p>Cash Out Refinance</p> <ul style="list-style-type: none"> • Not Permitted
<p>Underwriting</p>	<ul style="list-style-type: none"> • USDA GUS (Guaranteed Underwriting System) must be used for all transactions. • Eligible GUS Recommendation: <ul style="list-style-type: none"> - Accept/Eligible - Refer/Eligible recommendations may be considered through a manual underwrite if all standard USDA guidelines are met. • If a loan initially receives a Refer with Caution or is downgraded to a Refer with Caution, the transaction is not eligible for financing. <p>Co-Mortgagors:</p> <ul style="list-style-type: none"> • All must occupy the property as their Primary Residence and combined income must not exceed income limits. <p>Ratios</p> <ul style="list-style-type: none"> • Maximum DTI will follow the more restrictive of the GUS Accept recommendation or 50%. • 29%/41% for GUS Refer/Eligible loans that are manually underwritten <p>Credit Profile</p> <ul style="list-style-type: none"> • Minimum risk score of 600 or zero for each borrower for full documentation purchase transactions • Minimum risk score of 600 for each borrower for streamline transactions • Credit reports can be no greater than 120 days old at loan closing <p>Assets</p> <ul style="list-style-type: none"> • Minimum reserves and/or assets are not required for program eligibility; however, if assets are needed for loan closing or if reserves are required as a compensating factor then adequate documentation and verification must be provided (<i>see full product guide for details</i>). • Gift funds from any source may not be included in cash reserves; however, if gift funds are present, they must be documented through a gift donor letter with proof of transfer from the donor to the borrower by obtaining a copy of the canceled check or other withdrawal document showing the withdrawal is from the donor's personal account, along with the homebuyer's deposit slip or bank statement that indicates the deposit. Establish the gift does not have to be repaid. Funds may be provided by the borrower's relative, employer or labor union, charitable organization, or government agency/public entity that has a program to provide homeownership assistance to low and moderate income borrowers.
<p>Documentation Requirements</p>	<p>Required Documentation:</p> <ul style="list-style-type: none"> • Full Documentation • CAIVRS, GSA and SAM.gov must be reviewed and returned acceptable. • Request for Conditional Commitment must be submitted to Rural Housing with a complete underwriting file. • Insurance <ul style="list-style-type: none"> - HOI - HO-6, if applicable - Flood insurance, if applicable

