



## GUS LOAN FILE REVIEW GUIDE

Loan Characteristic	Request document upload/confirmation from lender	Release file for lender correction	Manual downgrade required	Lender responsibility, no action from USDA	RED FLAG Refer and Refer with Caution Loan Files
<b>FORM RD 3555-21</b>					
<b>Form RD 3555-21</b> is unsigned or incomplete (missing information/pages)	X				
<b>Interest rate</b> is <b>Floating</b>				X	
<b>Interest rate</b> is <b>Locked</b> , but expired	X	Obtain confirmation that the rate has not changed			
Income Worksheet (pages 3-7) does not document the calculation of income	X				
<b>ELIGIBILITY</b>					
<b>Property Address</b> section does not match appraisal (this includes an incorrect <b>Property Address, City, State/Zip</b> and <b>County/MSA</b> )			X		

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<b>Form RD 3555-21</b> Income Worksheet (pages 3-7),: Annual income calculation does not match data entry (\$10 automatic rounding by GUS is allowed)		X			
<b>Household Information</b> section is not accurate. ( <b>Number of People in Household</b> number is 4 <b>with 0</b> dependents, but <b>Borrower</b> application page states 2 <b>dependents</b> )		X			
<b>LOAN TERMS</b>					
<b>Interest Rate Type</b> is <b>Floating</b> and the interest rate exceeds 3555.104 at the time of review (a floating interest rate does not have to meet 3555.104 at time of approval)				X <b>Lender must lock rate prior to loan closing and ensure it meets 3555.104</b>	
<b>BORROWER</b>					
<b>No. of Dependents</b> includes an entry of more than one, but the dependent data field on the <b>Eligibility</b> application page is 0		X			

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<p><b>Date of Birth</b> of one or more applicants confirms they are not age 62 or older and the <b>Eligibility</b> application page reflects a deduction for 62 or older</p>		X			
<b>EMPLOYMENT</b>					
<p><b>Current Employment Information</b> reflects <b>Years on Job</b> as less than 2, no <b>Secondary/Previous Employment</b> is entered. Income may not support repayment as stable and dependable per 3555.152(a) and HB Chapter 9</p>					X
<p><b>Current Employment</b> is less than 2 years, and <b>Prior Years In Profession</b> is less than 2 years. Repayment income may not meet 3555. 152(a)</p>					X
<b>INCOME AND EXPENSES</b>					
<p>The <b>Total</b> for <b>Monthly Repayment Income entered in GUS</b> does not match the calculation from Form RD 3555-21 Income Worksheet</p>		X			

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<p><b>Monthly Repayment Income</b> exceeds data entered on the <b>Eligibility</b> application page and there are no eligible deductions (childcare/medical/disability)</p>		X			
<p><b>Bonus, Overtime or Commission income</b> accounts for over 30 percent of repayment income, and time with current employer is less than 2 years</p>					X
<p><b>Net Rental</b> has positive rental income entered. The <b>REO Property Information</b> application page reflects the current address on the <b>Borrower</b> application page as the rental property. Rental income history does not meet 3555.152(a) and HB Chapter 8 and 9</p>		X			
<p><b>Net Rental</b> has positive rental income entered. There is no rental income entered on the <b>Eligibility</b> application page.</p>		X			
<p><b>Other Income</b> sources are listed that are not entered on the <b>Eligibility</b> application page and must be included in annual income per 3555.152(b)</p>		X			

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Verification of Rent (VOR) reports more than one delinquent payment in previous 12 months					X
<b>Combined Monthly Housing Expenses</b> for <b>Proposed</b> housing payment reflects \$0, \$1, or an inaccurate estimate for <b>Hazard Insurance</b> and/or <b>Real Estate Taxes</b>		X			
<b>ASSETS AND LIABILITIES</b>					
Assets are entered that must be included on the <b>Eligibility</b> application page: 3555.152(d) and HB 9		X			
A <b>Mortgage Liability</b> is entered with no property address chosen from <b>Select Property</b>		X			
<b>Other Liabilities</b> does not reflect required tradeline history to validate the credit score per HB 10.5			X		

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<b>Other Liabilities</b> is missing open liabilities reported on the credit report. This includes medical collections, collections, charge-off accounts, judgements, etc. Every open debt must be accounted for on the liability page (it may be marked omit or paid by close as applicable).		X			
<b>Other Liabilities</b> includes debts that are not reported on the credit report (new credit).			X		
<b>Other Liabilities</b> have a payment of \$1.00 entered and are not marked <b>Omit</b>		X			
<b>GUS Accept (no full doc): Other Liabilities</b> includes a disputed debt(s) that does not meet HB 10.11			X		
<b>GUS Accept (no full doc): Other Liabilities</b> includes an authorized user account utilized to meet HB 10.5			X		
Student loan debts do not reflect the appropriate payment per HB 11.2 B		X			

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Installment debts with more than 10 months of repayment are excluded, <b>Notes</b> section indicates improper calculation		X			
Omitted liabilities do not include <b>Notes</b>		X			
<b>REO PROPERTY INFORMATION</b>					
Incorrect <b>Property Indicator, Property Disposition, Property Type</b> are selected		X			
<b>Address</b> and/or <b>Financial Information</b> sections are incorrect/blank		X			
<b>TRANSACTION DETAILS</b>					
<b>Purchase Price</b> does not match the sales contract		X			
<b>Estimated prepaids</b> and/or <b>Estimated closing costs</b> appear to exceed 3%.				X	
<b>Discount points</b> are paid by the seller, but the applicant is not low or very low income: 3555.101(b)(6)(vi)		X			

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The <b>Other Credits</b> section has an entry that matches data entered under <b>Assets</b> on the <b>Asset and Liabilities</b> application page		X			
The <b>Declarations</b> section is inaccurate. Example: Credit report shows a bankruptcy, foreclosure, judgement, etc. and the response is incorrect		X			
<b>ADDITIONAL DATA</b>					
The <b>Appraised Value</b> does not match the appraisal submitted.		X			
The wrong <b>Dwelling Type, Project Type, Structure Type, or Purchase Is</b> has been selected.		X			
One or more <b>Buydown</b> years will increase more than one percent. Temporary: 3555.151(h)(7) and HB 9 & 11 Permanent: 3555.151(h)(7) and HB 6		X			



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<b>Requirements Checks</b> is incorrect for the property type ( <b>Property is: Existing</b> but <b>New Construction Thermal Requirements</b> are selected, due to data entry errors, etc.)		X			
<b>CAIVRS</b> number(s) does not begin with "A". THE APPLICANT IS INELIGIBLE SEE GUS UW FINDINGS REPORT: 3555.151(i)(5)	<b>Contact lender Issue denial if applicable</b>				
<b>ADDITIONAL DOCUMENTATION</b>					
Full Doc Files: 4506-T's is missing for any adult household members		X			
No explanation for multiple GUS applications is submitted	<b>Contact lender, they may require RD assistance to research</b>				



## POST ISSUANCE OF CONDITIONAL COMMITMENT BY USDA

**The following guidance assists USDA to identify a GUS loan that must be released back to the lender for correction and a new final underwriting submission. Loans submitted without the assistance of GUS will also require correction and submission of updated underwriting analysis and applicable documentation. Changes to any loan characteristics require Rural Development's approval prior to loan closing in order to avoid possible denial of the loan note guarantee request.**

Loan Characteristic/Data Change	Release file for lender correction	Correct information in GLS if loan has closed	No release: Form RD 3555-21 is valid
Loan Amount Increases	<b>X</b>		
Loan Amount Decreases			<b>X</b>
Interest Rate Increases	<b>X</b>		
Interest Rate Decreases			<b>X</b>
Borrower Name is incorrect		<b>X</b>	
Address is incorrect		<b>X</b> Confirm property is still in an eligible area	
SSN is incorrect	<b>X</b>		
New borrowers have been added to or deleted from the application	<b>X</b>		
New debts are reported on a pre-closing credit report check completed by the lender	<b>X</b> New credit report with new debt must be pulled into GUS or file must be downgraded		

Loan Characteristic/Data Change	Release file for lender correction	Correct information in GLS if loan has closed	No release: Form RD 3555-21 is valid
Existing debt accounts have larger payments reported on a pre-closing credit report check completed by the lender	<b>X</b>		
Applicant income increases	<b>X</b>		
Applicant income decreases	<b>X</b>		
Assets/Reserves listed in GUS have decreased	<b>X</b>		
Sales Price increases	<b>X</b>		
Real Estate Taxes and/or Homeowners Insurance increases from data entered in GUS, but the change does not raise the PITI and/or TD ratios more than 2 percent			<b>X</b>
Real Estate Taxes and/or Homeowners Insurance increase from data entered in GUS to exceed the PITI and/or TD ratios by more than 2 percent	<b>X</b>	<b>HUD should be verified against GUS Data if loan has closed</b>	
The credit report used for underwriting will exceed 120 days at loan closing	<b>X</b>		
The appraisal will exceed 150 days at loan closing	<b>X</b>	<b>Lender may pursue an appraisal update and retain commitment: 3555.107(d) and HB 12.5 B</b>	

Loan Characteristic/Data Change	Release file for lender correction	Correct information in GLS if loan has closed	No release: Form RD 3555-21 is valid
Income documentation will exceed 120 days at loan closing			<b>X</b> Lender may update documents to ensure 3555.152 and HB 9.3 is met. Changes to income will require a release and a new commitment
The appraisal is more than the amount listed in GUS and the loan has closed		<b>X</b> Input notes in GLS in the application and list the correct appraisal value. GUS would not be adversely affected.	
The appraisal is less than the amount listed in GUS and the loan has closed	<b>X</b> GUS may be adversely Affected.		
The promissory note is more than the Conditional Commitment and the loan has closed. No principle reduction allowed	<b>X</b> Release and reapprove or deny the LNG.		
The promissory note matches the Conditional Commitment but the lender allowed excessive Funds to be disbursed to the borrower at closing. A principle reduction is allowed.			<b>X</b>