

RD AN No. 4362 (1980-D)
May 7, 2008

TO: All State Directors
Rural Development

ATTENTION: Rural Housing Program Directors,
Guaranteed Rural Housing Specialists,
Area Directors and Area Specialists

FROM: Russell T. Davis *(Signed by Peter Morgan)* for
Administrator
Housing and Community Facilities Programs

SUBJECT: Single Family Housing Guaranteed Loan Program
Official Record – Minimal Essential Documents

PURPOSE/INTENDED OUTCOME:

This Administrative Notice (AN) is applicable to Rural Development State and Field offices only. The purpose is to expand upon guidance regarding the minimum essential documents for permanent record retention for loans guaranteed under the Single Family Housing Guaranteed Loan Program (SFHGLP). This guidance is applicable to SFHGLP only. **Lenders are expected to retain complete origination records for each guaranteed loan in addition to documents listed within this notice.**

COMPARISON WITH PREVIOUS AN:

This AN replaces RD AN No. 4278 (1980-D), dated May 10, 2007.

EXPIRATION DATE:
May 31, 2009

FILING INSTRUCTIONS:
Preceding RD Instruction 1980-D

BACKGROUND:

As a solution to the growing portfolio, document imaging was introduced to the States as an alternative to manage essential records for individual SFHGLP borrowers. Preservation of essential documents for Rural Development are minimal as the lender is responsible for maintaining all documents pertaining to loan origination, original security instruments and any supportive documents which influence the loan decision process. **Therefore implementation instructions are not applicable to lenders approved to participate in the SFHGLP and are for internal Agency guidance.**

IMPLEMENTATION RESPONSIBILITIES:

Records management is the responsibility of all individuals within the Agency. In an effort to lower the costs of handling and storing SFHGLP documents, the Rural Development Image Repository was introduced to track and store electronic documents and/or images of paper documents. For authorized personnel, instant retrieval of those documents can be found at: <https://rdimagerep.sc.egov.usda.gov/MainPage.htm>. Select ***RHS Single Family Housing Guaranteed Documents*** to browse through documents and search for specific information.



Attachment A to this AN identifies the SFHGLP records to be retained for long-time preservation in the Agency’s official SFHGLP case folder. The document matrix has been designed to assist States in identifying the core documents to be retained when a file has been underwritten manually and when underwritten with use of the Agency’s automated underwriting system, GUS (Guaranteed Underwriting System). The document matrix is divided into 3 folders to allow for related document gathering and ease of use. Additionally, the document matrix can

be utilized as a checklist when preparing the documents for imaging in the Rural Development Image Repository.

Once States confirm imaged documents are accurately represented and indexed properly in the Rural Development Image Repository, origination documents may be destroyed and disposed of by shredding.

Questions regarding this AN can be addressed to Debbie Terrell [918-534-3254] or Joaquin Tremols [202-720-1452] or by email. Their respective email addresses are debra.terrell@wdc.usda.gov or joaquin.tremols@wdc.usda.gov.

**SINGLE FAMILY HOUSING GUARANTEED LOAN PROGRAM –
MINIMAL ESSENTIAL DOCUMENTS MATRIX** *[internal Agency use only]*

Use the following information as a reference for maintaining SFHGLP documents pertaining to loan origination. This document matrix may also be utilized as a checklist for the Rural Development Imaging Repository. File the identified document with the coinciding *document type* in the Rural Development Image Repository. Refer to the *Web Image Retrieval Application User Guide* or *State Office Scan and Index Functional Specification* for assistance with imaging. **States may also retain any other documentation they deem necessary for retention.**

	Document	Manual UW	GUS “ACCEPT”	Document Type – Rural Development Image Repository	Additional Guidance
	Folder 1				
<input type="checkbox"/>	Uniform Residential Appraisal Report (URAR) ▶ FNMA Form 1004 and any supplemental reports	√	√	Appraisal Report	
<input type="checkbox"/>	Property Inspections ▶ Lender certifications in accordance 1980.360(b) of RD 1980-D ▶ Property inspections (if submitted)	√	√	Property Inspections	
<input type="checkbox"/>	Conditional Commitment ▶ Form RD 1980-18 and ▶ Conditions to Form RD 1980-18 and ▶ Lender Certification (completed and executed by lender)	√	√	Conditional Commitment	
<input type="checkbox"/>	Administrative Appraisal Review ▶ Form RD 1922-15	√	√	Administrative Appraisal Review Form	
	Folder 2				
<input type="checkbox"/>	Uniform Residential Loan Application (URLA) ▶ Form FNMA 1003 ▶ Initial and Final application ▶ At least one 1003 executed by borrower and lender	√		Initial and Final Applications	
<input type="checkbox"/>	Uniform Underwriting and Transmittal Summary ▶ Form FNMA 1008 – completed with	√		Underwriting Transmittal Summary	

	<p>underwriter's name or</p> <ul style="list-style-type: none"> ▶ Lender's Loan Approval Sheet – provided information captured mirrors that of FNMA 1008 				
<input type="checkbox"/>	<p>Income/Employment Verifications <i>Employment income of non-self-employed applicants:</i></p> <ul style="list-style-type: none"> ▶ Verification of Employment (Form RD 1910-5 or equivalent) and most recent paycheck stub or ▶ Paycheck stubs or payroll earnings statements covering the most recent 30-day period and W-2 tax forms for the previous 2 tax years and a telephone verification of the applicant's current employment or ▶ Electronic verification or other computer-generated documents accessed and printed from a Intranet or Internet, and W-2 forms for the previous 2 tax years and a telephone verification of the applicant's current employment <p><i>Self-employed applicants:</i></p> <ul style="list-style-type: none"> ▶ Copies of signed individual Federal tax return – most recent two years or ▶ IRS-issued transcripts of the borrower's tax returns with all applicable schedules <p><i>Other income:</i></p> <ul style="list-style-type: none"> ▶ Third party verification or ▶ Evidence of receipt using deposits on banks statements or cancelled checks for the most recent three months 	√		Income Employment Verifications	
<input type="checkbox"/>	<p>Credit Reports</p>	√		Credit Reports	

Folder 3					
<input type="checkbox"/>	Request for Single Family Housing Loan Guarantee ▶ Form RD 1980-21 completed and executed by lender and applicant(s)	√	√	Request for Guarantee	
<input type="checkbox"/>	Request for Reservation of Funds ▶ Form RD 1980-86 or ▶ Printed Confirmation - GLS	√	√	Request for Reservation of Funds	The Request for Reservation of Funds is optional to lenders.
<input type="checkbox"/>	Loan Note Guarantee ▶ Form RD 1980-17 – complete/executed by Rural Development	√	√	Loan Note Guarantee	
<input type="checkbox"/>	Promissory Note	√	√	Promissory Note	
<input type="checkbox"/>	Guaranteed Loan Closing Report ▶ Form RD 1980-19 completed/executed by Rural Development	√	√	Loan Closing Report	
<input type="checkbox"/>	Environmental Review ▶ Form RD 1940-22 and/or Form RD 1940-21 (with attachments) and ▶ FEMA Form 81-93 (Standard Flood Determination)	√	√	Environmental Impact Statement	
<input type="checkbox"/>	Form HUD-1, “Settlement Statement”			Other Miscellaneous	The HUD-1 is strongly recommended if submitted by lender.
<input type="checkbox"/>	Other documents submitted for retention by State Office			Other Miscellaneous	The State Office should use good judgment in deciding whether other documents should be retained.