



United States
Department of
Agriculture

Rural Development



Conditional Commitment Form RD 3555-18/18E

Single Family Housing Guaranteed Loan Program



United States
Department of
Agriculture

Rural Development



Training Objectives

- Where is the topic located?
 - * 7 CFR Part 3555 and HB-1-3555
- Learning Checks
- Resources



United States
Department of
Agriculture

Rural Development



Things change!

- Every effort has been made to ensure training references are accurate at the time of publication.
- Always reference the most recent USDA publications available online.



United States
Department of
Agriculture

Rural Development



Guaranteed Loan Program Regulation

7 CFR Part 3555

- The regulation is the rule!
- 8 Subparts: A – H
- Appendix 1



7 CFR Part 3555

<http://www.rd.usda.gov/publications/regulations-guidelines>

United States Department of Agriculture
 Rural Development

[About USDA](#)
[Ask The Expert](#)
[Help](#)
[En Español](#)

[Site Map](#)
[A-Z Index](#)

[Home](#)
[About RD](#)
[Programs & Services](#)
[Browse by State](#)
[Newsroom](#)
[Publications](#)
[Contact Us](#)

[Home / Publications / Regulations & Guidelines](#)
[Back to Previous Page](#)

Publications

[Overview](#)
[Fact Sheets](#)
[Regulations & Guidelines](#)
[Reports](#)
[Dispute Appeals](#)
[Publications for Cooperatives](#)
[Rural Cooperatives Magazine](#)
[Strategic Plan](#)
[Congressional Testimony](#)
[Transcripts and Speeches](#)

Regulations & Guidelines

All Federal regulations can be found at [Regulations.gov](#) and customers can search, review and submit comments on Federal documents that are open for comment and published in the [Federal Register](#).

As a service to our customers, we post Rural Development's Instructions, Administrative Notices, and forms. The Instructions are available in three file formats: Adobe Acrobat (PDF), Microsoft Word 6.0 (doc) and Text (txt). To the extent possible, all documents have been made available in either Adobe Acrobat Ver 5.0 and higher, or Text and are 508 compliant. If you should have accessibility issues and need a hard copy, please send an e-mail to comments@wdc.usda.gov.

If you are having problems with this page, need a hard copy of any of the documents due to accessibility issues or would like to be added to the Regulations Update distribution list (available for Rural Development employees only with a valid Rural Development e-mail address), please e-mail comments@wdc.usda.gov.

Rural Development

- Administrative Notices
- Instructions
- Forms
- Spanish Forms, Form Letters and Guide Letters
- **Handbooks**
- Procedures Notices
- Significant Guidance Documents
- Unnumbered Letters
- Federal Register Publications

7 CFR Part 3555



United States Department of Agriculture
Rural Development

[About USDA](#)
[Ask The Expert](#)
[Help](#)
[English](#)

[Site Map](#)

[Home](#)
[About RD](#)
[Programs & Services](#)
[Browse by State](#)
[Newsroom](#)
[Publications](#)
[Contact Us](#)

[Home / Publications / Regulations & Guidelines / Handbooks](#)
[Back to Previous](#)

Publications

Overview

Fact Sheets

Regulations & Guidelines

Reports

Dispute Appeals

Publications for Cooperatives

Rural Cooperatives Magazine

Handbooks

HB-1-3550

Direct Single Family Housing Loans and Grants - Field Office Handbook

HB-2-3550

Direct Single Family Housing Loans and Grants - Centralized Servicing Center Handbook

HB-1-3555

SFH Guaranteed Loan Program Technical Handbook

HB-1-3560

MFH Loan Origination Handbook

HB-2-3560

MFH Asset Management Handbook

HB-3-3560

MFH Project Servicing Handbook

HB-1-3565

Guaranteed Rural Rental Housing Program Origination and Servicing Handbook

Application Information Systems Support Handbook

HB-1-3550

Direct Single Family Housing Loans and Grants - Field Office Handbook

HB-1-3555 SFH Guaranteed Loan Program Technical Handbook

Table of Contents

- Chapter 1** - Overview
- Chapter 2** - Record Retention
- Chapter 3** - Lender Approval
- Chapter 4** - Lender Responsibilities
- Chapter 5** - Origination and Underwriting Overview
- Chapter 6** - Loan Purposes
- Chapter 7** - Loan Terms and Conditions
- Chapter 8** - Applicant Characteristics
- Chapter 9** - Income Analysis
- Chapter 10** - Credit Analysis
- Chapter 11** - Ratio Analysis
- Chapter 12** - Property and Appraisal Requirements
- Chapter 13** - Special Property Types
- Chapter 14** - Funding Priorities
- Chapter 15** - Submitting the Application Package
- Chapter 16** - Closing the Loan and Requesting the Guarantee

Chapter 17 - Regular Servicing-Performing Loans

Chapter 18 - Servicing Non-Performing Loans - Accounts with Repayment Problems

Chapter 19 - Custodial and Real Estate Owned Property

Chapter 20 - Loss Claims - Collecting on the Guarantee

Acronyms

Glossary

- Appendix 1** - 7 CFR part 3555
- Appendix 2** - Forms and Instructions
- Appendix 3** - Review and Appeals
- Appendix 4** - Agency and Employee Addresses

Appendix 5 - Income Limits

Appendix 6 - Interest Assistance

Appendix 7 - Caiyrs Access Instructions

Appendix 8 - EDI Documentation

Appendix 9 - Penalties

Appendix 10 - Unnumbered Letter and State Supplements



United States
Department of
Agriculture

Rural Development



7 CFR Part 3555

Subpart C: Loan Requirements

- .101: Loan Purposes
- .102: Loan restrictions
- .103: Maximum loan amount
- .104: Loan terms
- .105: Combination construction and permanent loans
- **.107: Application for and issuance of loan guarantee**
- .108: Full faith and credit



United States
Department of
Agriculture

Rural Development



7 CFR Part 3555

3555.107

Application for and issuance of the loan guarantee.

- (a) Processing of applications.
- (b) Automated underwriting.
- (c) Manual underwriting.
- (d) Appraisals.
- (e) Environmental requirements.
- (f) Issuance of a conditional commitment.
- (g) Loan guarantee fee.
- (h) Annual fee.
- (i) Proper closing and requesting the loan note guarantee.
- (j) Issuance of the guarantee.



United States
Department of
Agriculture

Rural Development



7 CFR Part 3555: 3555.107(f)

- (f) Issuance of a conditional commitment. The lender must demonstrate that all the general loan, applicant, and site eligibility requirements of this part are met before Rural Development will issue a conditional commitment. The lender, however, may obtain any required property inspection reports, such as a well test or construction phase inspections, if applicable and not needed for environmental compliance, after the issuance of the conditional commitment, but prior to loan closing.



United States
Department of
Agriculture

Rural Development



7 CFR Part 3555: 3555.107(f)

- (1) The conditional commitment will expire in 90 days from issuance, unless new construction is involved.
- (2) The expiration of a conditional commitment may coincide with projected completion of new construction.
- (3) An extension may be granted if the loan cannot be closed due to circumstances beyond the lender's control.
- (4) Lenders may accept or decline the conditional commitment, or submit requests for changes with adequate support and documentation to be reviewed by the Agency.



United States
Department of
Agriculture

Rural Development



Guaranteed Loan Program Technical Handbook

HB-1-3555

- Provides guidance to support the regulation
- HB is not the rule
- 20 Chapters



HB-1-3555

HB-1-3555 SFH Guaranteed Loan Program Technical Handbook

Table of Contents

- Chapter 1** - Overview
- Chapter 2** - Record Retention
- Chapter 3** - Lender Approval
- Chapter 4** - Lender Responsibilities
- Chapter 5** - Origination and Underwriting Overview
- Chapter 6** - Loan Purposes
- Chapter 7** - Loan Terms and Conditions
- Chapter 8** - Applicant Characteristics
- Chapter 9** - Income Analysis
- Chapter 10** - Credit Analysis
- Chapter 11** - Ratio Analysis
- Chapter 12** - Property and Appraisal Requirements
- Chapter 13** - Special Property Types
- Chapter 14** - Funding Priorities
- Chapter 15** - Submitting the Application Package
- Chapter 16** - Closing the Loan and Requesting the Guarantee
- Chapter 17** - Regular Servicing-Performing Loans
- Chapter 18** - Servicing Non-Performing Loans - Accounts with Repayment Problems
- Chapter 19** - Custodial and Real Estate Owned Property
- Chapter 20** - Loss Claims - Collecting on the Guarantee
- Acronyms**
- Glossary**
- Appendix 1** - 7 CFR part 3555
- Appendix 2** - Forms and Instructions
- Appendix 3** - Review and Appeals
- Appendix 4** - Agency and Employee Addresses
- Appendix 5** - Income Limits
- Appendix 6** - Interest Assistance
- Appendix 7** - Caivrs Access Instructions
- Appendix 8** - EDI Documentation
- Appendix 9** - Penalties
- Appendix 10** - Unnumbered Letter and State Supplements

United States Department of Agriculture
Rural Development

[About USDA](#)
[As](#)

[Home](#)
[About RD](#)
[Programs & Services](#)
[Browse by State](#)
[Newsroom](#)
[Publications](#)
[Contact Us](#)

[Home / Publications / Regulations & Guidelines / Handbooks](#)

Publications

Overview

Fact Sheets

Regulations & Guidelines

Reports

Dispute Appeals

Publications for Cooperatives

Rural Cooperatives Magazine

Handbooks

HB-1-3550 Direct Single Family Housing Loans and Grants - Field Office Handbook

HB-2-3550 Direct Single Family Housing Loans and Grants - Centralized Servicing C

HB-1-3555 SFH Guaranteed Loan Program Technical Handbook

HB-1-3560 MFH Loan Origination Handbook

HB-2-3560 MFH Asset Management Handbook

HB-3-3560 MFH Project Servicing Handbook

HB-1-3565 Guaranteed Rural Rental Housing Program Origination and Servicing Han

Application Information Systems Support Handbook

HB-1-3550 Direct Single Family Housing Loans and Grants - Field Office Handboo



United States
Department of
Agriculture

Rural Development



HB-1-3555: Chapter 15

- 15.7 AGENCY PROCESSING OF AN APPROVED REQUEST
- 15.8 LENDERS RESPONSE TO CONDITIONAL COMMITMENT
 - A. Accepting the conditions
 - B. Declining the Conditions for Loan Guarantee
 - C. Requesting Changes in Conditions



United States
Department of
Agriculture

Rural Development



HB-1-3555: Chapter 16

CHAPTER 16: CLOSING THE LOAN AND REQUESTING THE GUARANTEE

16.1 INTRODUCTION

16.2 CLOSING THE LOAN



Forms

United States Department of Agriculture
Rural Development

[About USDA](#)
[Ask The Expert](#)
[Help](#)
[En Español](#)

[Site Map](#)
[A-Z Index](#)

[Home](#)
[About RD](#)
[Programs & Services](#)
[Browse by State](#)
[Newsroom](#)
[Publications](#)
[Contact Us](#)

[Home / Publications / Regulations & Guidelines](#)
[Back to Previous Page](#)

Publications

[Overview](#)
[Fact Sheets](#)
[Regulations & Guidelines](#)
[Reports](#)
[Dispute Appeals](#)
[Publications for Cooperatives](#)
[Rural Cooperatives Magazine](#)
[Strategic Plan](#)
[Congressional Testimony](#)
[Transcripts and Speeches](#)

Regulations & Guidelines

All Federal regulations can be found at [Regulations.gov](#) and customers can search, review and submit comments on Federal documents that are open for comment and published in the [Federal Register](#).

As a service to our customers, we post Rural Development's Instructions, Administrative Notices, and forms. The Instructions are available in three file formats: Adobe Acrobat (PDF), Microsoft Word 6.0 (doc) and Text (txt). To the extent possible, all documents have been made available in either Adobe Acrobat Ver 5.0 and higher, or Text and are 508 compliant. If you should have accessibility issues and need a hard copy, please send an e-mail to comments@wdc.usda.gov.

If you are having problems with this page, need a hard copy of any of the documents due to accessibility issues or would like to be added to the Regulations Update distribution list (available for Rural Development employees only with a valid Rural Development e-mail address), please e-mail comments@wdc.usda.gov.

Rural Development

- Administrative Notices
- Instructions
- **Forms**
- Spanish Forms, Form Letters and Guide Letters
- Handbooks
- Procedures Notices
- Significant Guidance Documents
- Unnumbered Letters
- Federal Register Publications



United States
Department of
Agriculture

Rural Development

Forms

United States Department of Agriculture
Service Center Agencies eForms

[Home](#)
[About eForms](#)
[Help](#)
[Contact Us](#)
[Login](#)

eForms
Browse Forms

You are here: Home

Welcome to the USDA Service Center Agencies eForms

eForms allows you to search for and complete forms requesting Agency (FSA), Natural Conservation Service (NRCS), and Rural Development (RD) forms. There are several ways to use the eForms site.

- You can click the Browse Forms menu option on the left of the page. You can complete the form, print it out and either mail or fax it to the appropriate center. A user ID and password is not required.

OR

- You can complete the forms online and submit the forms electronically. You will be able to save the forms to use again and again. You will need to obtain a user ID and password with Level 2 Access, which you can do by registering for a user ID and password.

If you already have a USDA eAuthentication ID and Password, click the Login link below.

[USDA.gov](#) | [Farm Service Agency](#) | [Natural Resources Conservation Service](#) | [Rural Development](#)
[FOIA](#) | [Accessibility Statement](#) | [Privacy Policy](#) | [Non-Discrimination Statement](#) | [Information Quality](#)

United States Department of Agriculture
Service Center Agencies eForms

[Home](#)
[About eForms](#)
[Help](#)
[Contact Us](#)
[Login](#)

eForms
Browse Forms

You are here: [Home](#) / [Browse Forms Search](#)

Browse Forms

You may search for a form by completing any of the fields below or just click Search for a list of all forms. You can view and print the forms without signing in. If you would like to save and submit the forms electronically, click login.

When viewing the forms, please have only **one** browser window open.

Agency Name:

Program Name:

Service Name:

Form Number:

Title or Keywords:

Show Results:

[Search](#)

[USDA.gov](#) | [Farm Service Agency](#) | [Natural Resources Conservation Service](#) | [Rural Development](#)
[FOIA](#) | [Accessibility Statement](#) | [Privacy Policy](#) | [Non-Discrimination Statement](#) | [Information Quality](#) | [USA.gov](#) | [White House](#)



Forms

United States Department of Agriculture
Service Center Agencies eForms

[Home](#) | [About eForms](#) | [Help](#) | [Contact Us](#) | [Login](#)

eForms
▶ Browse Forms

You are here: [Home](#) / [Search](#) / [Forms](#)

Browse Forms

We have found **1** forms which satisfy your search criteria. You may now view any of the forms below by clicking on the form number. To see the instructions on how to complete the form, click on the instruction button in the Help column.

To view these forms, you will need to have the free [Adobe Acrobat Reader](#) installed on your computer.

When viewing a form, please have only **one** browser window open.

1 - 1 of 1

| Form Number | Form Title | Help |
|------------------------------|----------------------------------------------------|------|
| ⊕ RD 3555-18 | Conditional Commitment for Single Family Housing L | |

New Search

[USDA.gov](#) | [Farm Service Agency](#) | [Natural Resources Conservation Service](#) | [Rural Development](#)
[FOIA](#) | [Accessibility Statement](#) | [Privacy Policy](#) | [Non-Discrimination Statement](#) | [Information Quality](#) | [USA.gov](#) | [White House](#)



United States
Department of
Agriculture

Rural Development

USDA-RD
Form RD 3555-18
(Rev 02-16)

FORM APPROVED
OMB NO. 0575-0179

CONDITIONAL COMMITMENT FOR
SINGLE FAMILY HOUSING LOAN GUARANTEE

| | | |
|-------------------------------|--------------------------------------------|--------------|
| TO: Lender's Name and Address | Borrower ID: (USDA 9 digit ID, not SSN) | |
| | State: | County: |
| | State Code: | County Code: |
| | Principal Amount of Loan: | |
| Borrower: | \$ | |
| Borrower SSN: | | |

From an examination of information supplied by the Lender on the above proposed loan, and other relevant information deemed necessary, it appears that the transaction can be properly completed.

Therefore, the United States of America acting through the Rural Housing Service (RHS), or its successor (herein referred to as Agency) hereby agrees that, in accordance with applicable provisions of the Agency regulations published in the Federal Register at 7 CFR part 3555, Agency handbook procedures, and related forms, it will execute Form RD 3555-17, "Loan Note Guarantee," subject to the conditions and requirements specified in said regulations and below.

The up-front Loan Note Guarantee fee payable by the Lender to Agency is \$ _____.

The interest rate for the loan is _____¹.

The annual fee for the first year of the loan, based upon the above stated principal amount of loan and stated interest rate of this commitment is \$ _____².

A Loan Note Guarantee will not be issued until the Lender meets all regulatory requirements certifies to the attached "Lender Certification" for SFH Guaranteed Loan, confirming that there has been no adverse change(s) in the Borrower's financial condition, property condition, nor any other adverse change in the Borrower's condition during the period of time from Agency's issuance of this conditional commitment to issuance of the Loan Note Guarantee. The Lender's certification must address all adverse changes and be supported by financial statements of the Borrower and its guarantors not more than 30 days old at the time of certification.

This conditional commitment becomes null and void unless the Lender submits their request for Loan Note Guarantee in accordance with 7 CFR § 3555.107(i) of within 30 days from date of loan closing. Except as set out below, the purposes for which the loan funds will be used and the amounts to be used for such purposes are set out on Form RD 3555-21, "Request for Single Family Housing Loan Guarantee." Once this instrument is executed and returned to the Agency, no major change of conditions or approved loan purpose as listed on these forms will be considered.

Additional Conditions and Requirements including source and use of funds:

- ☐ See Attachment to this form for conditions and requirements.
- ☒ The attached "Lender Certification" for SFH Guaranteed Loan must be certified by the Lender prior to issuance of a Loan Note Guarantee.
- ☐ Subject to conditions of the final official "GUS Underwriting Findings Report."

This conditional commitment will expire on _____³ unless the time is extended in writing by the Agency, or upon the Lender's earlier notification to the Agency that it does not desire to obtain an Agency guarantee.

UNITED STATES OF AMERICA

By: _____

Date: _____

(Title)

¹ Insert fixed interest rate.

² The annual fee is calculated each year at _____ % of unpaid balance. The annual fee for the first year will be calculated when the loan is closed based upon the loan amount. Thereafter, the annual fee is calculated every 12 months based upon the average scheduled amortized unpaid principal balance. Billing for the annual fee will begin 12 months from the date of loan. The amount on this Commitment is based upon the stated principal loan amount and interest stated. Changes to either element will change the annual fee amount.

³ The Agency will determine the expiration date of this contract. This date will not exceed 90 days from the date of issuance. The Agency may grant one (1) 90 day extension. Consideration will be given to the date indicated by the Lender in the acceptance of conditions. If construction is involved the expiration date will correspond with the projected completion of the project.

According to the Paperwork Reduction Act of 1995, no person is required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0179. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.



Form RD 3555-18/18E

USDA-RD
Form RD 3555-18
(Rev 02-16)

FORM APPROVED
OMB NO. 0575-0179

CONDITIONAL COMMITMENT FOR SINGLE FAMILY HOUSING LOAN GUARANTEE

| | | |
|---------------------------------------------------|--------------------------------------------|------------------|
| TO: Lender's Name and Address | Borrower ID: (USDA 9 digit ID, not SSN) | |
| | State: | County: |
| | State Code: | County Code: |
| Borrower: | Principal Amount of Loan: \$ | |
| Borrower SSN: | | |



United States
Department of
Agriculture

Rural Development



Form RD 3555-18/18E

From an examination of information supplied by the Lender on the above proposed loan, and other relevant information deemed necessary, it appears that the transaction can be properly completed.

Therefore, the United States of America acting through the Rural Housing Service (RHS), or its successor (herein referred to as Agency) hereby agrees that, in accordance with applicable provisions of the Agency regulations published in the Federal Register at 7 CFR part 3555, Agency handbook procedures, and related forms, it will execute Form RD 3555-17, "Loan Note Guarantee," subject to the conditions and requirements specified in said regulations and below.

The up-front Loan Note Guarantee fee payable by the Lender to Agency is \$.

The interest rate for the loan is %.¹

The annual fee for the first year of the loan, based upon the above stated principal amount of loan and stated interest rate of this commitment is \$.²



United States
Department of
Agriculture

Rural Development



Form RD 3555-18/18E

A Loan Note Guarantee will not be issued until the Lender meets all regulatory requirements certifies to the attached "Lender Certification" for SFH Guaranteed Loan, confirming that there has been no adverse change(s) in the Borrower's financial condition, property condition, nor any other adverse change in the Borrower's condition during the period of time from Agency's issuance of this conditional commitment to issuance of the Loan Note Guarantee. The Lender's certification must address all adverse changes and be supported by financial statements of the Borrower and its guarantors not more than 30 days old at the time of certification.

This conditional commitment becomes null and void unless the Lender submits their request for Loan Note Guarantee in accordance with 7 CFR § 3555.107(i) of within 30 days from date of loan closing. Except as set out below, the purposes for which the loan funds will be used and the amounts to be used for such purposes are set out on Form RD 3555-21, "Request for Single Family Housing Loan Guarantee." Once this instrument is executed and returned to the Agency, no major change of conditions or approved loan purpose as listed on these forms will be considered.



United States
Department of
Agriculture

Rural Development



Form RD 3555-18/18E

Additional Conditions and Requirements including source and use of funds:

- ☐ See Attachment to this form for conditions and requirements.
- ☒ The attached "Lender Certification" for SFH Guaranteed Loan must be certified by the Lender prior to issuance of a Loan Note Guarantee.
- ☐ Subject to conditions of the final official "GUS Underwriting Findings Report."

This conditional commitment will expire on _____³ unless the time is extended in writing by the Agency, or upon the Lender's earlier notification to the Agency that it does not desire to obtain an Agency guarantee.

UNITED STATES OF AMERICA

By:

Date: _____

(Title)

- 1 Insert fixed interest rate.
- 2 The annual fee is calculated each year at _____ % of unpaid balance. The annual fee for the first year will be calculated when the loan is closed based upon the loan amount. Thereafter, the annual fee is calculated every 12 months based upon the average scheduled amortized unpaid principal balance. Billing for the annual fee will begin 12 months from the date of loan. The amount on this Commitment is based upon the stated principal loan amount and interest stated. Changes to either element will change the annual fee amount.
- 3 The Agency will determine the expiration date of this contract. This date will not exceed 90 days from the date of issuance. The Agency may grant one (1) 90 day-extension. Consideration will be given to the date indicated by the Lender in the acceptance of conditions. If construction is involved the expiration date will correspond with the projected completion of the project.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0179. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.



United States
Department of
Agriculture

Rural Development

Form RD 3555-18
Rev (02-16)
Lender Certification – Page 1 of 3
Borrower: _____

Borrower ID: _____

**LENDER CERTIFICATION
FOR SFH GUARANTEED LOAN**

LENDER CERTIFICATION:

Instruction to Lenders: For use by lenders closing loans under 7 CFR part 3555. Submit an original (or true and accurately represented imaged document) to the Rural Development office who issued Form RD 3555-18, "Conditional Commitment for Single Family Housing Loan Guarantee". Retain a duplicate of the executed certification in the Lender's permanent case file.

In connection with the request for Loan Note Guarantee for:

(Borrower), Borrower ID _____

the following certifications are made by _____ (Lender). I, the undersigned Lender certify that:

- 1) No major changes have occurred since the issuance of the Conditional Commitment for Single Family Housing Loan Guarantee that affect the subject loan request, except any that have been approved by the Agency in writing.
 - a) The loan closed in accordance with the amount (equal to or less than) and conditions set forth in Form RD 3555-18. The lender will be subject to additional criteria if the loan is closed for an excessive loan amount. An excessive loan amount occurs when the lender closes a loan in an amount higher than permitted by Form RD 3555-18. To obtain a Loan Note Guarantee, the lender may choose to reclose the loan to the guarantee amount as reflected on the Form RD 3555-18, or request a revised Form RD 3555-18. A revised Form RD 3555-18 is subject to continued eligibility as set forth in 7 CFR part 3555 and the availability of funding.
 - b) If the interest rate was not fixed at the time the Conditional Commitment for Single Family Housing Loan Guarantee is issued, and the interest rate increased between issuance of the Conditional Commitment for Single Family Housing Loan Guarantee and loan closing, the change is noted and documentation of the fixed rate at lock is submitted.
 - i) If either or both of the underwriting ratios are exceeded as a result of an interest rate increase, compensating factors that demonstrate sufficient repayment continues to exist is required. Documentation supporting the increase must be included in the Loan Note Guarantee request.
 - c) No default exists.
- 2) The lender has not imposed any charges or fees against the borrower in excess of those permissible as set forth in 7 CFR part 3555.
- 3) The information submitted to the Agency is true, accurate and complete.
- 4) The information obtained in the loan application was obtained directly from the borrower by an employee of the undersigned lender or the lender's duly authorized agent and is true to the best of the lender's knowledge and belief.
- 5) The credit report submitted on the subject borrower (and co-borrowers(s), if any) was obtained by the undersigned lender or the lender's duly authorized agent directly from the credit bureau which prepared the report and was received directly from said credit bureau. The lender represents credit documentation has been re-verified since issuance of the Conditional Commitment, if the verification at closing was in excess of 120 days of the loan closing. Updated documentation is retained in the lender's permanent loan file.
- 6) The verification(s) of employment and verification(s) of deposits, if applicable were requested and received by the lender of the lender's duly authorized agent without passing through the hands of any third persons and are true to the best of the lender's knowledge and belief. The lender represents employment and/or asset documentation has been re-verified since issuance of the Conditional Commitment, if the verification at closing was in excess of 120 days of loan closing. Updated documentation is retained in the lender's permanent loan file.
- 7) The loan to the named borrower(s) meets the income and credit requirements of 7 CFR part 3555 and other applicable regulations concerning guaranty of loans.
- 8) The loan conforms to the applicable provisions of 7 CFR part 3555.



United States
Department of
Agriculture

Rural Development

Form RD 3555-18/18E

Lender Certification

Page 2 of 3

- 9) All planned property acquisition (construction, repairs, alterations or improvements) has been completed upon which the market value of the property is predicated unless:
- a) An escrow account has been established in accordance with 7 CFR 3555.202(c) and Chapter 12 of the Single Family Housing Guaranteed Loan Program Handbook (HB-1-3555).
- b) Lender confirms development/repair work for which an escrow account was established has been: ☐ completed or ☐ will be completed within 180 days of loan closing. If incomplete, the lender agrees to confirm development/repairs are complete in writing or presentation of the final inspection to Rural Development. Note: Confirmation development/repair work is finished is not required for issuance of a Loan Note Guarantee, but is required upon completion of the work. Remaining escrow funds that represent loan funds must be applied to the principal loan amount.
- 10) The required hazard insurance coverage is in effect. Flood insurance has been obtained, as applicable, if the structure is located in 100 year special flood hazard area.
- 11) All Truth-in-Lending requirements have been met.
- 12) All equal employment opportunity and nondiscrimination requirements have been met.
- 13) The loan has been properly closed and the required security instruments, including recapture of subsidy (as applicable) have been obtained.
- 14) The borrower(s) have marketable title to the collateral now owned by the borrower subject to the instrument securing the loan to be guaranteed and any other exceptions approved in writing by the Agency.
- 15) Lien priorities are consistent with the requirements of the Conditional Commitment for Single Family Housing Loan Guarantee. The security instrument has been recorded and is a good and valid first lien on the property described.
- 16) The loan proceeds have been disbursed for purposes and in amounts consistent with the Conditional Commitment for Single Family Housing Loan Guarantee.
- 17) There has been no adverse change in the borrower's financial condition or any other adverse change in the borrower's situation since the Conditional Commitment for Single Family Housing Loan Guarantee was issued by the Agency.
- 18) All inspections in accordance with 7 CFR §§ 3555.201 and 3555.202 and Chapter 12 of HB-1-3555 have been obtained. Evidence of inspections has been retained in the lender's permanent loan file.
- 19) All other requirements listed in the Conditional Commitment for Single Family Housing Loan Guarantee have been met.
- 20) Copies of the credit and security instruments submitted herewith are true and exact copies as executed and filed for record.
- 21) If the sale of the note or transfer of servicing occurs subsequent to this certification, the lender agrees to notify Rural Development in accordance with 7 CFR § 3555.54.

At this time, the loan will be:

☐ retained ☐ sold concurrently as follows: [Purchasing Lender must be an approved FNMA, FHLMC, FHA, VA or GNMA lender]

Servicing Lender (The lender that will be servicing the loan(s)):

Lender Tax ID: _____ Agency Assigned Branch Number: _____

Lender Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____



United States
Department of
Agriculture

Rural Development



Form RD 3555-18/18

Lender Certification

Page 3 of 3

Holding Lender (The RHS approved Lender who will be holding/owning the mortgage no e- i.e. Fannie Mae, Freddie Mac, etc., not Ginnie Mae):

Lender Tax ID: _____ Agency Assigned Branch Number: _____

Lender Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Borrower Information

Borrower's Social Security Number: _____ ☐ This Loan was securitized into a Ginnie Mae Pool
(Mark an X in the box if loan is securitized into a Ginnie Mae pool)

Borrower's USDA ID Number: _____

Borrower's Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

The following are to accompany the Loan Note Guarantee request:

- ☒ Promissory Note
- ☒ Final HUD – 1 Settlement Statement
- ☒ Guarantee Fee [Not applicable to lenders who electronically close loans and process the fee through a pre-authorized debit]
- ☒ Guaranteed Loan Closing Report, Form RD 1980-19 [Not applicable to lenders who electronically close loans]
- ☒ Lender Certification [Not applicable to lenders who electronically close loans]
- ☒ Any other conditions as recorded on the Conditional Commitment for Single Family Housing Loan Guarantee, Form RD 3555-18/18E or Attachment 3555-18A.

The lender certifies: statements made in this request for Loan Note Guarantee are true and correct. I/we have personally reviewed the mortgage loan documents, closing statements, request for guarantee, and all accompanying documents. As the lender selling or transferring the servicing of the above loan(s), we certify that the information in this submission is true and correct, and that all loans sold were sold to an RHS approved lender.

LENDER'S AUTHORIZED
REPRESENTATIVE SIGNATURE

TITLE
LENDER'S REPRESENTATIVE

DATE
SIGNED



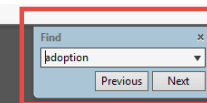
United States
Department of
Agriculture

Rural Development

TIPS

- Underwriter = USDA Approved Lender
- USDA = not an underwriter
- Research Rule & HB questions: Table of Contents
- Research Rule & HB questions: Control + F

- 7 CFR Part 3555
- supplemental social security income and Social Security benefits received in a lump sum;
- (vii) Any earned income tax credit;
- (viii) **Adoption** assistance in excess of any amount determined pursuant to HUD's definition of annual income at 24 CFR 5.609(c);





United States
Department of
Agriculture

Rural Development



7 CFR PART 3555 / HB-1-3555

LEARNING CHECKS



United States
Department of
Agriculture

Rural Development



Question Slide

“Topic”

- Question will be bulleted with scenario, or
- Include a statement/question

TRUE/FALSE or other answer options will be displayed



United States
Department of
Agriculture

Rural Development



ANSWER SLIDE

“Topic”

ANSWER: 7 CFR Part 3555 and HB-1-3555 references provided

X. Correct Response

- Additional guidance for clarification may be provided



United States
Department of
Agriculture

Rural Development



LET'S
GET STARTED.



United States
Department of
Agriculture

Rural Development



Conditional Commitment

A Conditional Commitment is typically valid for ____ days.

A. 60 B. 90



United States
Department of
Agriculture

Rural Development



Conditional Commitment

ANSWER: 3555.107(f)1 and HB 16.2

B. 90

- Commitments are valid for 90 days
- New construction commitments may be for longer terms
- Lenders may request extensions as applicable



United States
Department of
Agriculture

Rural Development



Conditional Commitment

A Conditional Commitment for new construction is only valid for only 180 days.

A. TRUE

B. FALSE



Conditional Commitment

ANSWER: 3555.107(f)1 and HB 16.2

B. FALSE

New construction Commitments may:

- Coincide with projected date of construction completion
- Not exceed one year from date of issuance
- Lenders may request extensions as applicable



United States
Department of
Agriculture

Rural Development



Conditional Commitment

Once issued by USDA, a Conditional Commitment cannot be extended past the authorized date.

A. TRUE B. FALSE



United States
Department of
Agriculture

Rural Development



Conditional Commitment

ANSWER: 3555.107(f)3 and HB 16.2

B. FALSE

- Lenders may request extensions
- Extensions must be reasonable
- Lenders must ensure all loan documentation retained meets Agency required timeframes



United States
Department of
Agriculture

Rural Development



Conditional Commitment

- USDA issues Commitment
- Lender reviews and questions a condition to require a termite inspection on an existing dwelling
- Lender may contact USDA to discuss validity of this condition

A. TRUE

B. FALSE



United States
Department of
Agriculture

Rural Development



Conditional Commitment

ANSWER: 3555.107(f)4 and HB 15.8 C

A. TRUE

- Lenders may request explanation for USDA conditions
- USDA must supply evidence of decision with 7 CFR Part 3555 citation
- Invalid conditions will be removed from Commitment by USDA



Conditional Commitment

- Approved lender signs the “Lender Certification”
- The certification applies to the issued Form RD 3555-18/18E and Commitment Attachment 18-A if applicable

A. TRUE B. FALSE



Conditional Commitment

ANSWER: 3555.107(f) and HB 15.7

A. TRUE

- Lender certification is part of Form RD 3555-18/18E (three pages long)
- If additional conditions are required, USDA may elect to also include Commitment Attachment 18-A
- Lender's signature is binding to all conditions, documentation, etc.



United States
Department of
Agriculture

Rural Development



Conditional Commitment

- ABC Lending is a Third Party Originator (TPO) for Bixby Bank
- USDA can issue the Conditional Commitment to ABC Lending

A. TRUE B. FALSE



United States
Department of
Agriculture

Rural Development



Conditional Commitment

ANSWER: 3555.107(f) and HB 15.7

B. FALSE

- Conditional Commitments can only be issued to approved USDA lenders
- TPO's are not eligible to receive commitments in their name



Conditional Commitment

- Approved lender signs the Lender Certification of Form RD 3555-18/18E
- Their signature certifies all USDA conditions listed have been met

A. TRUE

B. FALSE



United States
Department of
Agriculture

Rural Development



Conditional Commitment

ANSWER: 3555.107(f) and HB 15.7

A. TRUE

- Lender certification is verified through signature
- Lenders also certify that all required documentation is retained as applicable



United States
Department of
Agriculture

Rural Development



**WAY
TO GO!**



Regulations

<http://www.rd.usda.gov/publications/regulations-guidelines>

United States Department of Agriculture
Rural Development

[About USDA](#)
[Ask The Expert](#)
[Help](#)
[En Español](#)

[Site Map](#) | [A-Z Index](#)

[Home](#)
[About RD](#)
[Programs & Services](#)
[Browse by State](#)
[Newsroom](#)
[Publications](#)
[Contact Us](#)

Home / Publications / Regulations & Guidelines
Back to Previous Page

Publications
Overview
Fact Sheets
Regulations & Guidelines
Reports
Dispute Appeals
Publications for Cooperatives
Rural Cooperatives Magazine
Strategic Plan
Congressional Testimony
Transcripts and Speeches

Regulations & Guidelines

All Federal regulations can be found at [Regulations.gov](#) and customers can search, review and submit comments on Federal documents that are open for comment and published in the [Federal Register](#).

As a service to our customers, we post Rural Development's Instructions, Administrative Notices, and forms. The Instructions are available in three file formats: Adobe Acrobat (PDF), Microsoft Word 6.0 (doc) and Text (txt). To the extent possible, all documents have been made available in either Adobe Acrobat Ver 5.0 and higher, or Text and are 508 compliant. If you should have accessibility issues and need a hard copy, please send an e-mail to comments@wdc.usda.gov.

If you are having problems with this page, need a hard copy of any of the documents due to accessibility issues or would like to be added to the Regulations Update distribution list (available for Rural Development employees only with a valid Rural Development e-mail address), please e-mail comments@wdc.usda.gov.

Rural Development

- Administrative Notices
- Instructions
- Forms
- Spanish Forms, Form Letters and Guide Letters
- Handbooks
- Procedures Notices
- Significant Guidance Documents
- Unnumbered Letters
- Federal Register Publications



GovDelivery Sign up

https://public.govdelivery.com/accounts/USDARD/subscriber/new?qsp=USDARD_25



Email Updates

To sign up for updates or to access your subscriber preferences, please enter your contact information below.

★**Email Address**

Submit

Cancel



United States
Department of
Agriculture

Rural Development



Thank you for supporting
the USDA Single Family
Housing Guaranteed Loan
Program!





United States
Department of
Agriculture

Rural Development



In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [How to File a Program Discrimination Complaint](#) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

USDA is an equal opportunity provider, employer, and lender.

