

Property Eligibility

Single Family Housing Guaranteed Loan Program
(SFHGLP)



November 2020



Welcome to the Property Eligibility training module presented by USDA's Single Family Housing Guaranteed Loan Program.



RURAL AMERICA

What a Beautiful Place to Call Home!



- Along with applicant eligibility, the other key component of program qualification is determining the eligibility of a property.
- While location is the primary factor, there are also other requirements important to qualifying a proposed home.

Rural Area Definition

HB-3555-1, Chapter 12.3A



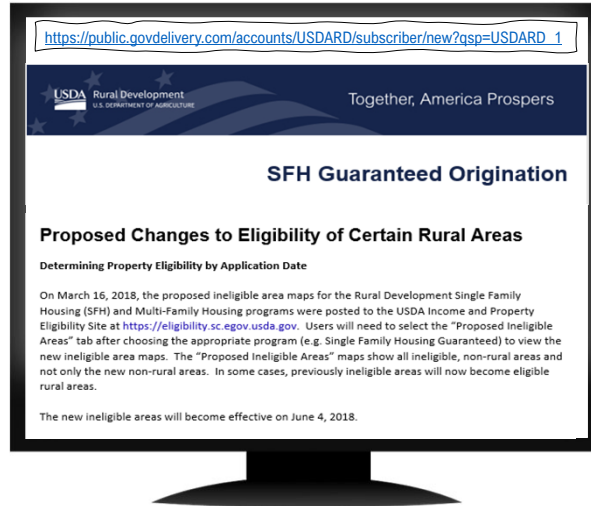
- For program purposes, rural areas are defined as open country that is not part of an urban area.
- In general, towns, cities or places located within Metropolitan Statistical Areas are limited to populations of 10,000, and outside of MSAs are capped at 20,000.
- A recent Farm Bill provision also allows for consideration of areas up to 35,000 under certain circumstances.

- The Agency determines an area's rural designation which may change as a result of periodic reviews and decennial population census.
- Full reviews are conducted every five years, and every 3 for areas experiencing rapid growth.
- A comment period of at least 30 days is always provided for any proposed changes.

Notification of Rural Area Designation

HB-3555-1, Chapter 12.3B

- Lenders are notified of changes in rural area designations via GovDelivery.
- Make sure you are signed up to receive GovDelivery notifications!

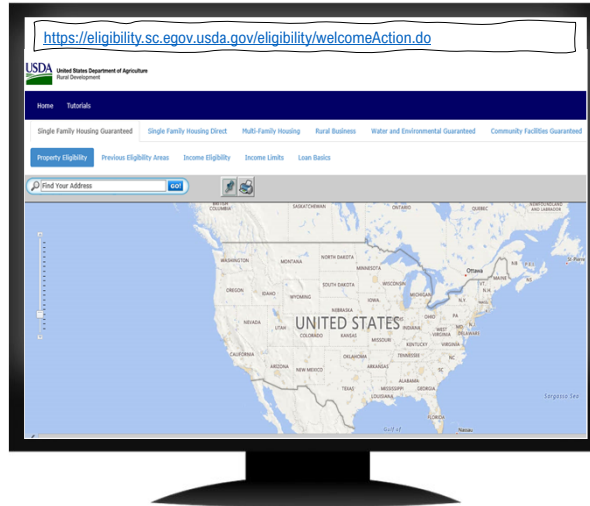


- Lenders will be notified of upcoming changes in rural areas.
- Also, lenders will receive clarification for circumstances that would allow loan guarantees for properties located in areas no longer designated as rural.

Notification of Rural Area Designation

HB-3555-1, Chapter 12.3B

- Enter address to determine if a property is located within an eligible rural area.
- Eligibility decisions when an address is entered include:
 - Eligible
 - Ineligible
 - Unable to Determine
- This site does not determine if a specific property is eligible, it only determines if the property is located within an eligible rural area.

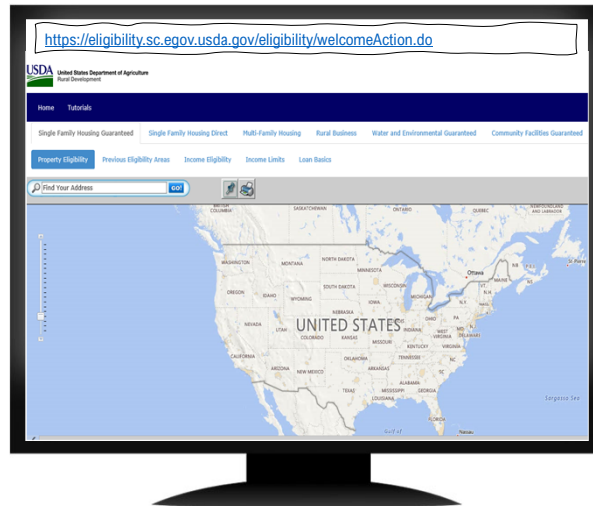


- USDA offers an online property eligibility website where an address may be entered and one of three eligibility determinations will be rendered: Eligible, Ineligible, or Unable to Determine.
- Important to note that this site does not determine if a specific property is eligible, it only determines if the property is located within an eligible rural area.

Notification of Rural Area Designation

HB-3555-1, Chapter 12.3B

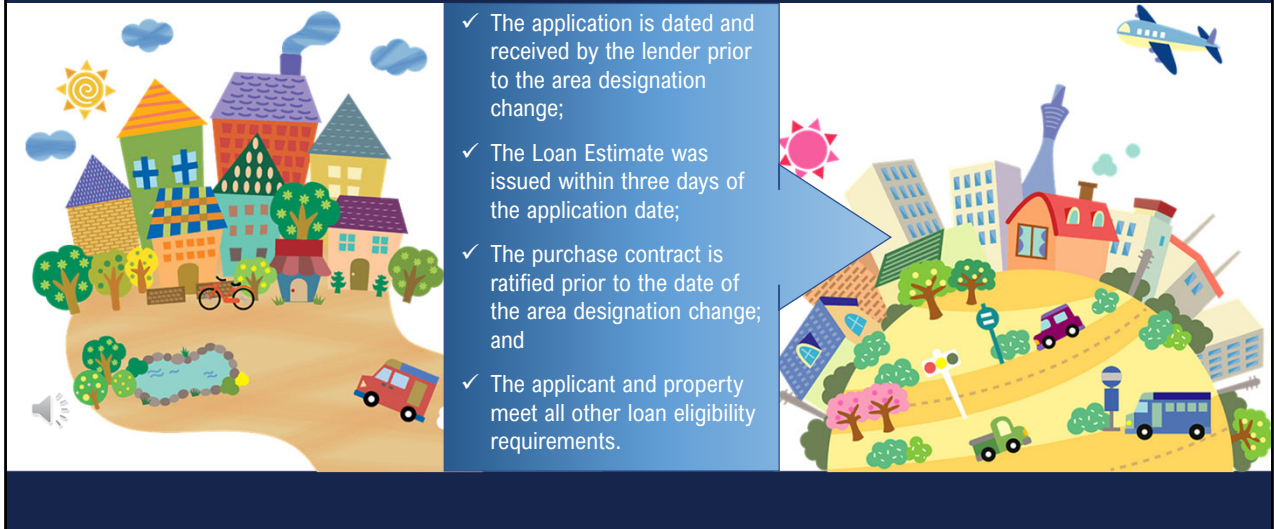
- Areas not clearly delineated, will receive an “Unable to Determine”.
 - Lender must confirm with Agency staff that the property is in a rural area and is eligible for a guarantee prior to requesting an appraisal.



- With an “Unable to Determine” finding, the lender must contact Agency staff and confirm that the property is located in an eligible rural area prior to requesting an appraisal.
- If an instance arises where the site has made an “ineligible” determination that you believe is incorrect, you can also contact the Agency for further review.

Purchase Loans in Areas Changing from Rural to Non-Rural


HB-1-3555, 12.3C



- If an area's rural designation is changed to ineligible, loan applications for purchase transactions may still be approved if it is dated and received by the lender prior to the area designation change and the Loan Estimate was issued within three days of the application date.

Other Loan Types in Areas Changing from Rural to Non-Rural

HB-1-3555, 12.3C



✓ Existing commitments remain in effect if issued prior to the designation change;

✓ Existing USDA loans that meet all requirements remain eligible for refinance transactions;

✓ REO properties sold from Agency inventory remain eligible for purchase transactions;

✓ SFHGLP REO property sales and transfers with assumption may be processed; and

✓ A supplemental loan may be made in conjunction with a transfer and assumption of a guaranteed loan.

- Existing Conditional Commitments remain in effect if issued prior to the designation change.
- Existing USDA loans that meet all requirements are eligible for refinance transactions and USDA REO properties remain eligible, as do transfer and assumption transactions.

Enter complete addresses, including zip code.

Use “Google” or “Bing” to verify address.

Use the Zoom tools on the Eligibility page.

USDA United States Department of Agriculture Rural Development

Home Tutorials

Single Family Housing Guaranteed Single Family Housing Direct Multi-Family Housing

Property Eligibility Previous Eligibility Areas Income Eligibility Income Limits

Rural Housing Services

Property Eligibility Disclaimer

Every effort is made to provide accurate and complete information regarding eligible areas, the application process, or determination provided by this system. Final determination of property eligibility is made by Rural Development. By viewing the eligibility map, you must accept this disclaimer.

Accept Decline

- USDA’s Eligibility website can be accessed at the address noted above.
- Once you’ve accessed the website, select the “Single Family Housing Guaranteed” option and then select the “Property Eligibility” option as noted on the slide.
- The “Property Eligibility Disclaimer” will display with an explanation that the eligibility website is a tool and viewing eligibility maps on this website does not constitute a final determination by Rural Development. Select “Accept” to proceed to the website.

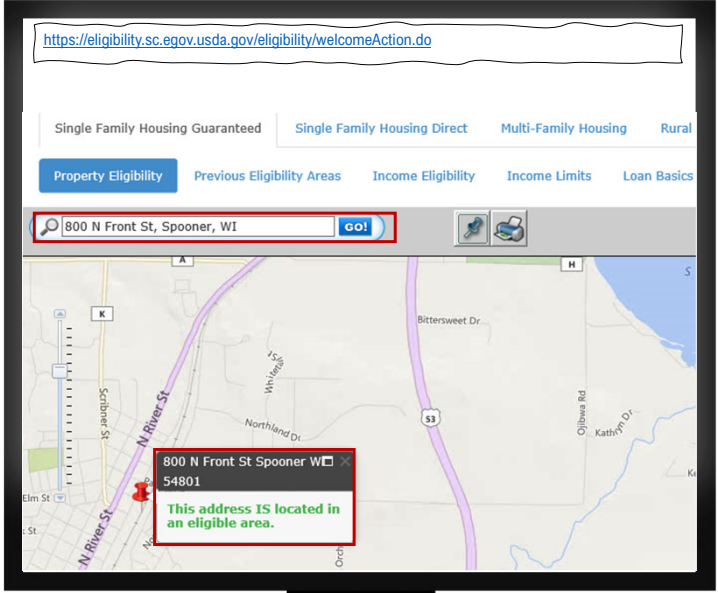
The image shows a computer monitor displaying the USDA Eligibility website. The URL in the address bar is <https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>. The website has a navigation menu with links for 'Single Family Housing Guaranteed', 'Single Family Housing Direct', 'Multi-Family Housing', and 'Rural B...'. Below this is a 'Property Eligibility' button and other links like 'Previous Eligibility Areas', 'Income Eligibility', 'Income Limits', and 'Loan Basics'. A search bar labeled 'Find Your Address' with a 'go!' button is highlighted with a red box. Below the search bar is a map of the United States with a red rectangle highlighting the western region, including parts of Washington, Oregon, Idaho, Nevada, and California. To the left of the monitor, there are three instruction boxes on a dark blue background. The first box says 'Enter complete addresses, including zip code.' with a 'SUBMIT' button icon. The second box says 'Use "Google" or "Bing" to verify address.' with a laptop icon. The third box says 'Use the Zoom tools on the Eligibility page.' with a magnifying glass icon. A speaker icon is also visible in the bottom left corner of the blue area.

- A map of the United States will display.
- In the top left corner a complete address can be entered to seek a determination.
- You may also zoom in to specific areas to pre-determine the eligibility boundaries in a projected purchasing area.

Enter complete addresses, including zip code.

Use “Google” or “Bing” to verify address.

Use the Zoom tools on the Eligibility page.



The screenshot shows the USDA Eligibility website interface. The URL is <https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>. The navigation menu includes: Single Family Housing Guaranteed, Single Family Housing Direct, Multi-Family Housing, Rural, Property Eligibility, Previous Eligibility Areas, Income Eligibility, Income Limits, and Loan Basics. The search bar contains the address "800 N Front St, Spooner, WI" and a "GO!" button. The map below shows the location of the address in Spooner, WI, with a red pin and a callout box stating: "800 N Front St Spooner WI 54801. This address IS located in an eligible area."

- After entering a property address in the field shown here, click “Go.”
- The property eligibility determination will be displayed.
- In this example the address is located in an eligible rural area.

Enter complete addresses, including zip code.

Use "Google" or "Bing" to verify address.

Use the Zoom tools on the Eligibility page.

The screenshot shows the USDA Eligibility website interface. The URL is <https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>. The navigation menu includes: Single Family Housing Guaranteed, Single Family Housing Direct, Multi-Family Housing, Rural Business, and Water. The main menu has: Property Eligibility, Previous Eligibility Areas, Income Eligibility, Income Limits, and Loan Basics. The search bar contains the address "5417 Clems Way, Stevens Point, WI 54482" and a "GO!" button. The map shows the location of Stevens Point, WI, with a red box highlighting the address "5417 Clems Way Stevens Point WI 54482" and a message: "This address is not located in an eligible area." The map also shows various streets and landmarks in the area, including the University of Wisconsin-Stevens Point and the Plover River.

- In this example the address is not located in an eligible rural area.

The image shows a computer monitor displaying the 'ELIGIBILITY' website. The URL at the top is <https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>. The page features a blue header with the word 'ELIGIBILITY' in white. Below the header is a search bar and a 'SUBMIT' button. A map is displayed below the search bar, showing a rural area with roads like 'Hillside Rd' and 'Grayson Rd'. A 'Switch Basemap' menu is open, showing three options: 'Bing Maps Aerial', 'Bing Maps Hybrid', and 'Bing Maps Road'. To the left of the monitor, there are three instructional callouts on a dark blue background:

- Enter complete addresses, including zip code. (Icon: hand pointing to a 'SUBMIT' button)
- Use "Google" or "Bing" to verify address. (Icon: laptop with globe)
- Use the Zoom tools on the Eligibility page. (Icon: magnifying glass with a plus sign)

A speaker icon is located at the bottom left of the dark blue background.

- There are also three different ways to view the eligibility maps, which may affect how you can determine if the response is accurate.
- By selecting "Switch Basemap" at the top right corner, the three options will display.
- Choose the one you wish to view.

Enter the complete address on "Eligibility" application page. 

GUS will render a property eligibility determination. 

Lenders must review the determination and take further action, if applicable. 



The screenshot shows the GUS (Guaranteed Underwriting System) interface. At the top, it displays the USDA logo and the GUS logo. A table shows borrower information: Borrower Name (Homeowner, John), Lender Loan Number (123456789), and GUS Application ID Number (7654321). Below this is the "Eligibility" section with a sidebar menu on the left containing options like Loan Terms, Borrower, Employment, Income and Expenses, Assets and Liabilities, Transaction Details, Additional Data, Credit / Underwriting, View Findings, Display Documents, and Upload Documents. The main content area is titled "Property Information" and includes fields for Property Address (1234 Main Street), City (Some City), State/Zip (Wisconsin 54481), and County/MSA (Portage). A "Check Property Eligibility" button is highlighted with a red box. Below this, the "Results from Checking Property Eligibility" section shows "Property Eligibility is" followed by a yellow box with the word "ELIGIBLE".

- The Guaranteed Underwriting System (GUS) includes an eligibility check when a complete address is entered on the "Eligibility" application page.
- When "Check Property Eligibility," is selected, the GUS will display the property eligibility determination.
- Please review this determination and decide if additional action is required.

LEARNING CHECKS

7 CFR Part 3555 / HB-1-3555



The best way to learn information is to test your knowledge!

QUESTION

Topic

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

TRUE/FALSE or other answer options will be displayed



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The following question slides will list:

- The topic,
- A question or scenario, and
- potential responses.

ANSWER

Topic

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

X. Correct Response

- Additional guidance for clarification may be provided



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The answer slides will list:

- The topic,
- the reference to the answer from the regulation and handbook,
- the correct response, and
- any additional clarification that may be helpful.

Ready?

LET'S GET
STARTED!



Let's get started!

QUESTION

Property Eligibility

- The Property Eligibility website returns a finding of “Unable to Determine.”
- This loan application cannot be submitted to USDA.

A. TRUE

B. FALSE



ANSWER

Property Eligibility

3555.201(a), and HB 12.3 B

B. FALSE

- Verify data entered for accuracy.
- Contact USDA for assistance.



QUESTION

Property Eligibility

- A rural area has been changed from eligible to ineligible.
- Only loans which have already been issued a Conditional Commitment may be closed in the newly designated area.

A. TRUE

B. FALSE



ANSWER

Property Eligibility

3555.201(a), and HB 12.3 C

B. FALSE

The following remain eligible:

- Applications **submitted prior** to the effective date of the designation
- USDA REO sales and Transfer & Assumptions
- Supplemental loans in combination with a Transfer and Assumption



QUESTION

Property Eligibility

- A loan is ineligible for a refinance if the subject property is now located in an ineligible rural area.

A. TRUE B. FALSE



ANSWER

Property Eligibility

3555.201 (a), and HB 12.3 C

A. FALSE

- Refinance loans are eligible after an area has been designated as non-rural.
- Loan requests may be submitted in the GUS with an “Ineligible” property finding.
- USDA will change the determination when the loan is processed.



QUESTION

Property Eligibility

- The property address may be checked online at:
 - A. SAM
 - B. GLS
 - C. USDA LINC
 - D. Property and Income Eligibility



ANSWER

Property Eligibility

3555.201(a), HB 12

D. Property and Income Eligibility

- <https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>



QUESTION

Property Eligibility

- GUS renders an ineligible property result for a purchase transaction application.
- The lender has not confirmed whether or not the property is located in an eligible rural area.
- This application can be submitted to USDA.

A. YES B. NO



ANSWER

Property Eligibility

3555.201 (a), HB 12.3

A. YES

- GUS will allow the loan to be submitted, however, it is the lender's responsibility to confirm that the property is located in an eligible rural area when an ineligible determination is rendered.



QUESTION

Property Eligibility

- Eligible rural areas are determined by USDA and reviewed every five years.

A. TRUE B. FALSE



ANSWER

Property Eligibility

3555.201(a), HB 12.3 A

A. TRUE

- An area's rural designation is determined by the Agency and may change following a periodic review or decennial census.



Way to Go!

LEARNING CHECK
COMPLETED!



Way to go! You have completed the learning checks!

- This training module has provided you with an overview of the key requirements of Property Eligibility.
- Complete program requirements and guidance can be found in 7 CFR Part 3555, Subpart E, Section 3555.201 and Chapter 12 of HB-1-3555.
- Be sure to bookmark these references, save yourself valuable time by using Ctrl-F to quickly search and find answers, and always ensure you are referencing the most current publications.
- The “Program Overview Training” module will assist you in learning how to navigate through all the resources and tools Rural Development has created to assist you.

Have a question on POLICY?

Contact the PAC team!



Need TRAINING?

Contact the LPA team!



Have a question on a SPECIFIC FILE?

Contact the OPD!



USDA Rural Development U.S. DEPARTMENT OF AGRICULTURE Single Family Housing Guaranteed Loan Program (SFHGLP) **Contacts & Resources**

TOPIC	CONTACT
File-Specific Questions Information to include in email: • Identify the state the application is located; if applicable; • Provide applicant's name and USDA borrower ID, if applicable; • GUS loan number, if applicable; • Include contact information; and • Indicate if you would like a call back (otherwise you will receive an email reply)	Production Team One: SFHGLPONE@usda.gov AK, AL, AZ, CA, CO, GU, HI, IA, ID, KS, MT, NM, NV, OR, SD, TX, UT, WA, WI, WY, WY Production Team Two: SFHGLPTWO@usda.gov AR, KY, LA, MN, MO, MS, ND, NE, NJ, NY, OK Production Team Three: SFHGLPTHREE@usda.gov CT, DE, GA, IL, MA, MD, ME, MI, NC, NH, RI, SC, VT, WV Production Team Four: SFHGLPFOUR@usda.gov FL, IN, OH, PA, PR, TN, VA, VI
Lender Approval/Recertification	sfhgld.compliance@usda.gov
Lender Self-Report	sfhgld.compliance@usda.gov
Program Training	sfhgld.lenderpartner@usda.gov
Program Marketing & Outreach	sfhgld.lenderpartner@usda.gov
General Loan Scenario Questions	sfhgld.program@usda.gov
Loan Policy/Regulation/Handbook	sfhgld.program@usda.gov
Loan Servicing	sfhgld.servicing@usda.gov
Technical Issues: GUS	RD.HD@USDA.GOV
Technical Issues: e-Authentication	E-Authentication FADIC: (https://www.eauth.usda.gov/eauth/usda/faq) E-Authentication Contact Us: (https://www.eauth.usda.gov/eauth/usda/contactus)
Loss Claims	guarantee.svc@usda.gov
Monthly & Quarterly Status Reporting	rd.nfac.hsrb@usda.gov
GUS User Agreements	rd.nfac.hsrb@usda.gov

TOOLS & RESOURCES
 Regulation and Handbook: <https://www.rd.usda.gov/resources/directives>
 Lender Webpage—Turn times, contact information, and helpful links: <https://www.rd.usda.gov/page/sfh-guaranteed-lender>
 USDA LINC—Training modules, user guides, and more useful resources: <https://www.rd.usda.gov/programs-services/lenders/usda-linc-training-resource-library>
 GovDelivery—Receive notifications regarding origination, servicing, and GUS updates: <https://public.govdelivery.com/accounts/USDA/RO/subscriber/new>


- Users should first look for answers to their questions in the regulation and handbook, but if you still have a question after reviewing your resources, we're here to help.
- All policy and regulation questions regarding the topic we just covered should be sent to our Policy, Analysis, and Communications Branch and
- If you would like to request additional program training, contact our Lender and Partner Activities Branch.

Thank you for supporting the USDA Single Family Housing Guaranteed Loan Program and America's rural homebuyers!



www.rd.usda.gov

1 (800) 800-670-6553

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This will conclude the training module. Thank you and have a great day!