



March 29, 2018 | The AFR 411 2018-11

*American Financial Resources, Inc.*



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## **Attention: AFR Lending Partners**

### **Topics in this edition of The AFR 411 include:**

- **USDA Eligibility Maps**
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### **USDA Eligibility Maps**

On March 16, 2018, the Rural Development Single Family Housing proposed changes to eligibility for certain areas. The proposed ineligible area maps have been posted to the USDA Income and Property Eligibility Site at <https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>. To view the new ineligible area maps, users must select the “Proposed Ineligible Areas”.

The new ineligible area maps are effective as of June 4, 2018. On June 4, 2018, all properties for new applications must be located in an eligible rural area based on the new maps. Please note, a property that is located in an area being change from rural to non-rural may be permitted if all of the following conditions are met:

- The application is dated and received by the lender (AFR) prior to June 4, 2018 and the Loan Estimate was issued by the lender within 3 days of the application receipt.
- The applicant has a signed/ratified sales contract on a property that is dated prior to June 4, 2018.
- Applicant(s) meet all other loan eligibility requirements.

If the property is located in an area being changed from rural to non-rural, the AFR UW must provide Rural Development all of the following information in addition to other required documentation via submission through the Guaranteed Underwriting System (GUS):

- Copy of the signed/ratified and dated sales contract.
- Copy of the Loan Estimated issued to the applicant.
- Verification that the property was located in an eligible rural area prior to June 4, 2018.

Note: Maps of the “Previous Eligible Areas” will be available on the Eligibility site

beginning June 4, 2018. A printout of the map indicating the property address was previously eligible is acceptable.

**Note:** GUS underwriting recommendations will display an INELIGIBLE property determination for property that is no longer in an eligible rural area.