

USDA SUBMISSION CHECKLIST

CREDIT

- LHFS Wholesale loan number (can be ordered in [eXPRESS](#)).
- Initial 1003 – (signed and dated by Borrower and Loan Officer).
- Credit Report pulled by LHFS.
 - Minimum FICO 640. (Exception Waivers for credit scores between 620-639 – see [guidelines](#))
 - **Paying off debt to qualify is not allowed.**
 - Collections with aggregate total over \$2,500 must be paid or resolved regardless of age of collection account.
 - Medical Collections excluded from aggregate total.
 - Collections under \$2,500 fall under standard USDA requirements.
 - Charge off typically does not have to be paid off, unless it has turned into a collection (full credit review must be completed).
 - No outstanding judgments, including repayment plan. All outstanding judgments must be paid in full.
 - Chapter 13 Bankruptcies must be fully discharged before eligible for financing.
 - **IRS payment plans are not allowed but may be considered on an exception basis approved by Underwriting or Risk Manager.**
 - All listed open mortgages must show date of last activity as the previous month or current month (if applicable).
- 12 months housing history is required regardless of GUS requirement.
 - 12 months cancelled checks **or** a 3rd party VOR.
- Credit Documentation: Divorce Decree, etc.
- LOE regarding inquiries in last 120 days.
- Fully Executed Purchase Contract and/or Escrow Instructions.

INCOME

- Income Documentation (USDA loans must use [USDA Income Limits](#)):
 - 30 days, recent and consecutive of Pay Stubs and/or Award letters.
 - W2s / 1099s and Tax Returns – recent 2 years.
- Signed and completed 4506T (DocuSign is acceptable).
- Full Tax Transcripts from IRS required.

ASSETS

- Asset Documentation: (2 most recent consecutive months bank statements; gift documentation).
 - Borrower with NSF's and/or overdraft charges will not be eligible (isolated NSF / overdraft charges may be reviewed for exception).
- Earnest Money Deposit.

PRIOR TO CD

- Hazard Insurance.
- Appraisal.
- Preliminary Title Report – **24-month chain of title and dated within 30 days of submission.**

REQUIRED INITIAL DISCLOSURES: [SIGNED & DATED BY BORROWER(S)]

- If you would like LHFS to disclose on your behalf, please submit the following documents:
 - Credit and/or Borrower Authorization.
 - Verbal Credit Authorization signed by LO if credit was pulled prior to Disclosure.
 - Upload 3.2 file in eXPRESS.
- If you would like to provide disclosures to LHFS:
 - All broker disclosures provided to the borrower(s) must be uploaded in eXPRESS.
- [Issuance of Loan Estimate \(LE\) / Intention to Proceed Certification \(NOI\)](#).
- [Affiliated Business Arrangement Disclosure](#).
- Appraisal Valuation Acknowledgment.
- ARM Disclosure & Handbook on ARM (if applicable).
- E-Sign Act Consumer Disclosure.
- Fair Lending Notice (CA only).
- Home Ownership Counseling Disclosure.
- Initial Fee Worksheet.
- Privacy Policy Disclosure.
- Servicing Disclosure Statement.
- Settlement Service Provider List.
- [Social Security Verification Form](#) – **Must be wet signature and on LHFS form.**
- Admin Fee \$1145.
 - Borrower Paid Compensation up to 2%.
 - No third-party processing fees allowed.

ADDITIONAL USDA SPECIFIC DISCLOSURES & DOCUMENTS

- [USDA Rural Development Household Member Income and Asset Disclosure](#).
- [Form RD 1980-21, "Request for Single Family Housing Loan Guarantee](#) (Must be completed and executed by all applicants)
- [FEMA Form 086-0-32 \(Formerly 81-93\)](#), "Standard Flood Determination Form"
- [Form RD 3555-21](#) (Rev. 12-14) 7 pages. Borrower(s) to sign and date page 2.

LOSS PAYEE MORTGAGE CLAUSE ON PROPERTY INSURANCE (HAZARD & FLOOD)

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