

This At-A-Glance (AAG) is a summary tool to use in conjunction with Averra (Guide). The AAG does not replace the published Guide. Where the AAG is silent or conflicts with the published Guide, the Guide will govern and control. This AAG applies only to the channel and investor program indicated. For each Agency and/or Program, there may be additional AAGs to cover specific products or transactions.

USDA Eligibility Matrix: Standard				
Primary Residence Conforming Base Loan Amount FRM Only Maximum LTV/CLTV GUS A/E or Manual Up-Front Guarantee Fee 1.00% Annual Fee 0.35%				
Units	Base Loan Amount	LTV / CLTV ¹	Purchase ¹	
			Credit Score	UW Method
Site Built SFR, PUD, or Condo				
1	FHFA Baseline Loan Limit	100% ^{2,3}	580	580 GUS 620 Manual ⁴
Multi-Wide Manufactured Home				
1	FHFA Baseline Loan Limit	100% ^{2,3}	640	GUS Only

¹ Contract for deed or land contract: USDA considers a transaction to convert seller financed mortgage with an existing dwelling to be a purchase transaction.

² The LTV is calculated as the loan amount divided by the appraised value. LTV may exceed the appraised value only by the amount of any financed guarantee fee.

³ For purchase transactions, closing costs and prepaid expenses may be financed when the sales price is lower than the appraised value, but the base loan amount may not exceed the appraised value.

⁴ GUS findings: Required for all purchase transactions even if final approval is manual.

● Purchase Only ● Min Loan Amount: \$75,000 ● Occupancy: Primary Only

● Ineligible: Non-Occupant Co Borrower

Products	Product Code	Product Description	Term
	USDA Fixed 30	Purchase	360

USDA Program Summary	
<i>The following is an overview of core guidelines and overlays. See Averra Guide for full program requirements.</i>	
Products & Underwriting	
Underwriting Method	- GUS findings required on all purchase transactions, even if final approval is manual. - Purchase transactions with 'Refer' findings may be manually considered. - GUS 'Refer with Caution' findings are ineligible.
Ratios	- Ratios per valid GUS 'Approved' findings accepted. - Housing Ratio: Include full PITIA for subject; capped at 29% for manual. - Total Debt Ratio: Includes subject PITIA plus all outstanding debt; capped at 41% for manual. - Manual with traditional credit: ratio waiver up to 32% / 44% permitted when all applicants have a validated score of 680 or greater and at least one compensating factor is documented (not eligible with non-traditional credit).
Credit Report	A tri-merge credit report is required for all borrowers. In community property states, apply guidance per Community Property States Section of Averra Guide, as applicable.
Manual Underwrite: Traditional Credit	- At least one applicant whose income and/or assets are used must have a validated credit score and two tradelines open for 12 months. < 680 require a rent history of 0x30x12, if the applicant pays rent 29% / 41% Ratio
Manual Underwrite: Non-Traditional Credit	- GUS returned a 'Refer' finding and no borrower has a validated credit score. - Ineligible for debt ratio waiver. - Alternative credit tradelines must be rated for 12 months. With VOR, one additional tradeline rated. Without VOR, three tradelines rated. - Ineligible if in last 12 months: more than one 30-day late, any 60 or 90-day late, NSF charges or negative balances, disconnection notices, collection accounts, or court records. - Applicants with no validated credit score must be manually underwritten. 29% / 41% Ratio
Income Documentation	
Annual Income	- Annual Income: The income of all adult household members not just borrowers on loan. - Adjusted Annual Income: The household's annual income minus eligible deductions as defined by USDA. - Adjusted annual income may not exceed 115% of the median income for the subject property.
Eligibility Income	Eligibility Income: Adjusted annual income compared to established income limits (by county) to determine eligibility of the household (size of household) for the Single-Family Housing Guaranteed Loan Program (SFHGLP).
Repayment Income	Repayment Income: The stable and dependable income used to calculate debt ratios and determine whether the borrower(s) can afford the home.
Tax Transcripts	Obtain two years transcripts for all borrowers and adult household members except full time students.
Salaried/Hourly Income	Paystubs covering the most recent 4-week period with YTD earnings and W-2s for the prior two years. Or WVOE allowed. VOE within 10 business days prior to closing required.
Self-Employed Income	- Two (2) consecutive years of signed Federal Income Tax Returns with all schedules filed with the IRS, or IRS transcripts that include all applicable schedules, along with a recent profit and loss statement (not required to be audited); AND - Two consecutive years of signed business Federal Income Tax returns with all schedules filed with the IRS, or IRS transcripts that include all applicable schedules, if required for the business type. - Confirmation that the business is operational must be obtained within 30 days of the note date/loan closing.
Assets Documentation	
GUS Evaluate	- May run GUS with no assets showing, OR - Input the ending balance from the most recent official bank statement (or VOD if dated later); a lower figure may be used.
Funds to Close	Verification of funds to close should be supported by bank statements or VOD.

	• All recurring deposits, and any non-recurring deposit over \$1,000, not attributed to wages or earnings must be investigated. • Gifts allowed in accordance with USDA guidelines. Gifts must be specifically identified as a gift in GUS to omit from reserves. • Cash-on-hand not permitted.
Reserves	• Not required. • Retirement assets may be included up to 60% of the vested value. • Non-retirement reserves more than \$50,000 are subject to annual income calculation.
Collateral & Valuation	
Complete requirements can be found in Averra Guide.	
Eligible Transactions	• Rural location as determined by USDA. • Site built, 1-Unit properties (SFR, PUDs, or Condo). • Leaseholds with at least 15 years beyond loan maturity. • Purchase Manufactured: Multi-wide (640 FICO and GUS Approval Only).
Ineligible Transactions	• Income-producing properties that do not meet Rural Housing requirements (e.g., grain bins, silos, dairy farms, hog barns, multiple equestrian stables) and working farms or ranches. • Mixed-use properties where the non-residential is > 49% of the total floor area. • Properties subject to litigation. • Rural Energy Plus loans. • Single-close construction mortgages. • Refinance Manufactured Home. • Cooperatives, condotels, hotel condominiums, and timeshares.
Appraisals	A full appraisal must be completed no more than 180 days prior to closing. Appraisals must be completed by an FHA-approved appraiser who must attest the property meets minimum USDA Handbook standards.
Inspections	If applicable: • Private Well/Water Supply: Water test valid up to 180 days at loan closing. • Private Septic System: Only if appraiser does not certify the property meets HUD Handbook standards. • Termite/Pest: Only required if appraiser, inspector, or state law requires the inspection to confirm status.
Borrower Eligibility	• All borrowers must occupy the subject property. • All borrowers may not have been suspended or debarred from participating in Federal programs. • Borrowers who would not qualify for credit on a conventional mortgage loan as defined by USDA.
High-Cost & High-Priced Loans	• 'High Cost' loans are not permitted. • Loans defined as a 'Higher-priced Mortgage Loan' or 'Higher-priced Covered Transaction' under Reg Z may be eligible. Additional restrictions apply.
General	• Discount points must result in a reduced interest rate. • Escrow impounds for taxes and insurance required. • The borrower may retain ownership in one additional dwelling, subject to USDA requirements. • Ineligible vesting: Living (Inter Vivos) Revocable Trusts, land trusts, corporations, partnerships, LLCs, life estates, and real estate syndications. • Subordinate financing permitted in accordance with USDA requirements.
Temporary Buydowns	• Not Eligible
Purchases	• Sales Concession: Up to 6% of the lesser of the sales price or appraised value. • Contract for Deed or Land Contract: USDA considers a transaction to convert seller financed mortgage with an existing dwelling to be a purchase transaction.
Resources	
Quick Links	USDA HB-1-3555 SFHGLP Handbook USDA Unnumbered Letters USDA Income and Property Eligibility USDA LINC Training and Resource Library HUD Credit Alert System (CAIVRS) GSA System for Award Management (SAM)
Loans must meet guidelines in the USDA HB-1-3555 SFHGLP Handbook to be eligible for purchase. Underwriter may require additional documentation above GUS requirements. Averra has sole discretion for the final underwriting decision.	

Need Help?

Please connect with your dedicated Sr. Account Executive for support throughout the loan process!