





Item 11. Enter the applicable Source of Funds code. Example: 6

SOURCE OF FUNDS CODES

- 1 = New Guaranteed Loan (includes all loan types)
- 2 = Reserved (used for Direct Loan programs)
- 3 = Reserved
- 4 = Reserved
- 5 = Consolidation of Guaranteed Loans Without Interest Assistance
- 6 = New Guaranteed FLP Loan with Interest Assistance
- 7 = FLP Interest Assistance Only
- 8 = New Guaranteed SFH Loan with Interest Assistance
- 9 = New Guaranteed B&I Loan with Interest Rate Buydown

Item 12. Enter the applicable Interest Assistance code. Used for Single Family Housing loans only. Example: 1

- 1 = Eligible for Interest Assistance Program
- 2 = Ineligible for Interest Assistance Program

NOTE: Only enter 2 if the borrower does not qualify for the Interest Assistance Program at the time of loan closing, and the borrower will not be eligible for interest assistance during the remaining life of the loan. You should enter 1, if the borrower is eligible to participate in the Interest Assistance Program even though he may not be receiving interest assistance at the time of loan closing.

Item 13. Enter the Guarantee Fee Purpose Code. Leave blank if Source of Funds code (item 11) is input as 7 (FP Interest Assistance Only).

GUARANTEE FEE PURPOSE CODES

- 1 = Substitution
- 2 = Extension
- 3 = Initial Closing—Fee
- 4 = Second Half Payment
- 5 = Consolidation (No Fee on Consolidated Loans)
- 6 = Reserved
- 7 = Initial Closing—No Fee

NOTE: If consolidating loans (item 13 equals 5), all loans must be closed. This form will not close and consolidate loans at the same time.

Item 14. Enter 4.0 if the guarantee fee purpose code equals 6 (item 13). Otherwise, leave blank.

Example: 1 1/12 percent = 01151010

Item 15. Enter amount of Guarantee Fee to be Paid with this report.

Examples of the computations for each Guaranteed Fee Purpose Code (item 13) are given below:

Item 13 equals 1 (Substitution)

Balance Owed on loan (Item 30)	46,928.52
Percent of Guarantee (Item 21)	x .90
Total	42,235.67
One Percent	x .01
Guarantee Fee	422.36

Item 13 equals 2 (Extension)—The guarantee fee should equal 1/2 of 1 percent of the principal balance on the loan if maturity date is 1 year or less. The guarantee fee should equal 1 percent if the maturity date is greater than 1 year with the option that 1/2 of the fee may be paid as of the date of the Extension (Renewal) and second half payable in a single installment within 1 year and 10 days.

LOAN MATURING IN 1 YEAR OR LESS:

Balance owed on Loan (Item 30)	46,928.52
1/2 of One Percent	x .005
Guarantee Fee	234.64

LOAN MATURING IN MORE THAN 1 YEAR:

Balance owed on Loan (Item 30)	46,928.52
One Percent	x .01
Guarantee Fee	469.29

Item 13 equals 3 (Initial Closing)—The guarantee fee should equal the guarantee rate multiplied by the guaranteed portion of the loan. Example:

Amount of Loan (Item 16)	50,000.00
Percent of Guarantee (Item 21)	x .90
Total	45,000.00
One Percent	x .01
Guarantee Fee	450.00

Item 13 equals 4 (Second Half Payment)—The guarantee fee is the second 1/2 of the extension payment. Computations to check this are not necessary.

Item 13 equals 5 (Consolidation)—There is no fee required. Leave Item 15 blank.

Item 13 equals 7 (Initial Closing—No Fee)—There is no fee required. Leave Item 15 blank.

Item 16. Enter the amount of loan as follows:

- (A) Enter the full amount of the loan for new loans or for new loans with buydown or interest assistance.
- (B) Enter the principal balance of an existing loan when establishing interest assistance on an existing loan.
- (C) Enter the full amount of an existing line of credit if the interest assistance is established during the period of advances.  
Otherwise, enter the principal balance. Example:

