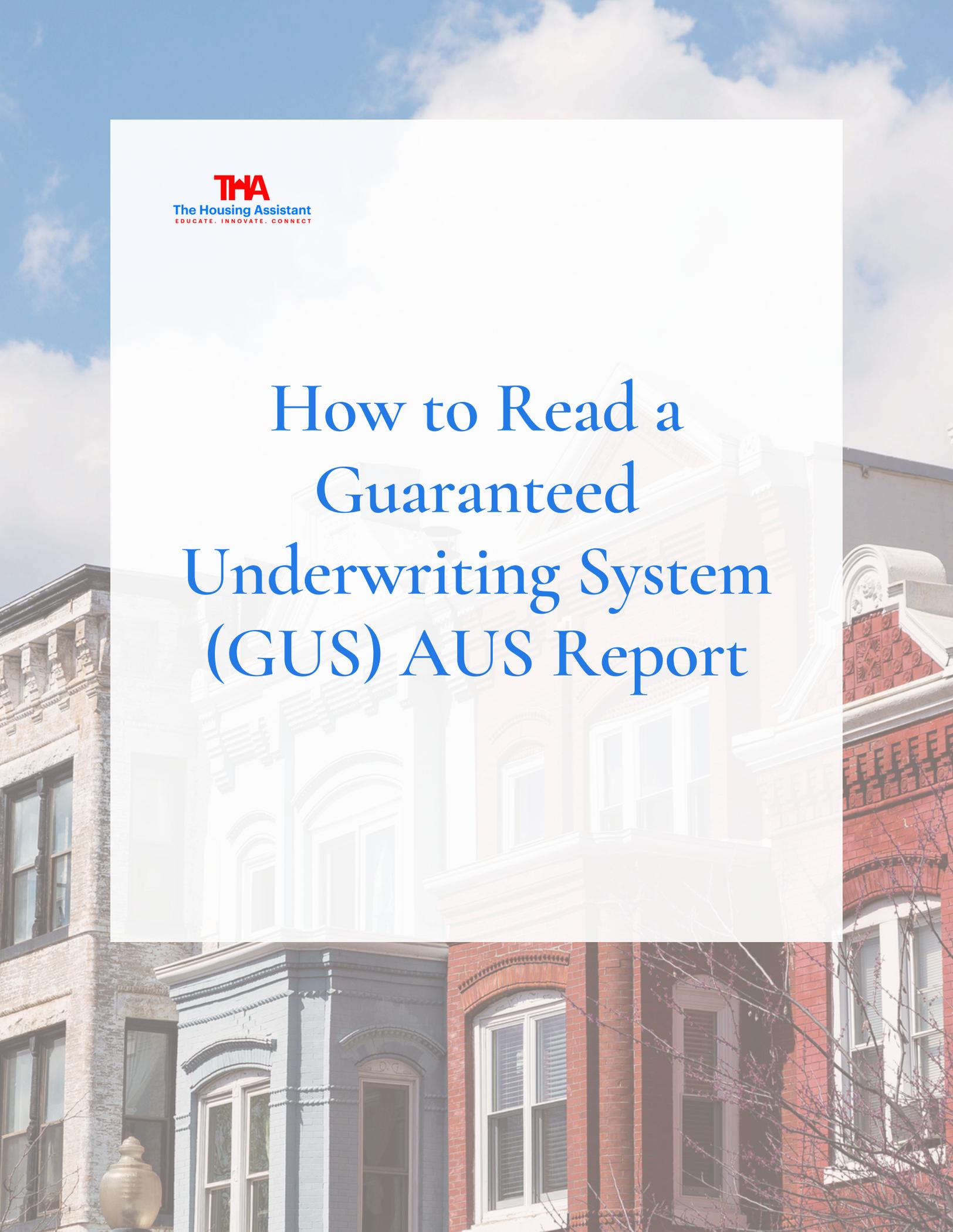


How to Read a Guaranteed Underwriting System (GUS) AUS Report



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A Comprehensive Guide by The Housing Assistant



Introduction

The Guaranteed Underwriting System (GUS) is USDA Rural Development's automated underwriting system (AUS). It evaluates borrower eligibility for USDA loans based on income, credit, property, and loan terms. Mortgage operations staff must be able to read, interpret, and act on GUS findings to ensure USDA loan eligibility and compliance.

What Loans Use GUS?

- ✓ USDA Rural Development Guaranteed Loans ONLY.
- ✓ Used to automate the eligibility decision for both credit and property.

Key Sections of a GUS AUS Report

Section	What to Review
Underwriting Recommendation	Confirm if 'Accept,' 'Refer,' or 'Refer with Caution.'
Findings and Messages	Review documentation, risk flags, and any additional requirements.
Income and Employment Data	Verify income matches documents and USDA income limits.
Debt-to-Income Ratios (DTI)	Check Front-End and Back-End DTI percentages.
Property Eligibility and Appraisal	Confirm property eligibility and appraisal compliance.
Liabilities	Ensure all debts, including co-signed and deferred loans, are disclosed.
Eligibility Income	Separate from repayment income — check against USDA household limits.

Important Things to Look For

- Accept vs. Refer findings.
- Household Income Eligibility under USDA limits.
- Accurate Income Validation matching paystubs, W-2s, tax returns.
- Appraisal must meet USDA standards.
- Follow all Documentation Required exactly.

When to Escalate Issues

- Borrower's income exceeds USDA household limits.
- Significant debts or obligations missing from GUS entry.
- Appraisal reflects property issues.
- DTI exceeds limits without sufficient compensating factors.
- 'Refer' findings without clear manual underwriting plan.

Best Practices for Reviewing GUS Findings

- ✓ Cross-check GUS findings against borrower documents.
- ✓ Update and re-run GUS if there are any material changes.
- ✓ Print and save final GUS Findings in the loan file.
- ✓ Monitor USDA updates to income limits and eligibility areas.

THA Tip:

- ◆ GUS findings are binding — you must meet every listed condition for USDA loan guarantee approval. Always validate household income and eligibility income separately!