July 23, 2026

The Honorable Stephen Alexander Vaden
Deputy Secretary
U.S. Department of Agriculture
Washington, DC 20250

Dear Deputy Secretary Vaden:

The Community Home Lenders of America (CHLA) writes to commend the Rural Housing Service (RHS) for issuing a final rule in March to create delegated authority for lenders to originate RHS loans.

Once fully implemented, we believe this change will be transformative, by creating Rural Housing Service (RHS) Single-Family Housing Guaranteed Loan Program (SFHGLP) delegated authorities similar to those at the Federal Housing Administration (FHA) and the Veterans Administration (VA). This would make origination of RHS single family mortgage loans timelier and more efficient.

However, this RHS single family loan program enhancement only serves to heighten CHLA concerns about an RHS directive that single-family housing personnel must move to St. Louis, announced in a Congressional USDA notification letter last month.

CHLA has long been a proponent of modernizing and creating operational efficiencies in federal government mortgage loan programs, advocating extensively over the years for Information Technology (IT) and contracting reforms for FHA, Ginnie Mae, and RHS.

However, at their heart, federal government mortgage programs rely on personnel that are knowledgeable and experienced.

The announcement that RHS single family employees currently located in Washington, DC must move to St. Louis raises questions regarding whether RHS staff essential to carry out the RHS delegated authority transformation will stay on in sufficient numbers to efficiently carry out this transformation.

We believe it is critically important that USDA maintain continuity among experienced SFHGLP staff during this transition to avoid disruption to lender onboarding, program guidance, and borrower service. Equally important, the final rule will provide mortgage lenders with additional tools to better assist borrowers during any lapse in federal government funding.

CHLA was an early supporter of efforts to grant RHS delegated authority as part of the Housing Opportunity Through Modernization Act of 2016 and is the only national trade association that exclusively represents independent mortgage banks (IMBs). Per CHLA's 2025 IMB Report, IMBs originate 84% of all single-family loans and 95% of Ginnie Mae Issuances. Our members greatly value their respective relationships with RHS and have been impressed by the professionalism, responsiveness, technical assistance, and overall expertise of its staff. As the RHS workforce has declined over the last decade, dedicated RHS staff has worked to ensure that its single-family, multifamily, and community facilities programs continue to meet the needs of rural communities throughout America.

In addition, CHLA members have consistently encouraged USDA to reduce unnecessary operational touches, improve system automation, and standardize documentation and property requirements. These objectives depend not only on policy changes, but also on experienced program staff who can provide consistent interpretations and timely guidance to approved lenders.

We are concerned that the proposed relocation of RHS employees to St. Louis, MO could undermine program performance and contribute to the loss of experienced employees should they opt to resign rather than relocate their families. Such an outcome could diminish operational capacity and undermine retention and recruitment.

Therefore, CHLA strongly encourages RHS, as it makes any staffing or operational changes, to design and implement such changes in a manner that prioritizes and ensures that RHS single family loan operations – including the new delegated authorities – continue to operate effortlessly and efficiently.

We appreciate your consideration of our comments and would be happy to discuss them with you and your staff.

Sincerely

COMMUNITY HOME LENDERS OF AMERICA

cc: Mr. George Kelly, Rural Housing Service Administrator