

U.S. DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT
Washington, D.C 20250

MANUAL ISSUE No.
WSAL PN 638
DATE
April 18, 2025

PROCEDURE NOTICE

RD HANDBOOK CHANGES

INSERT RD HB-1-3565
(WSAL)

**GUARANTEED RURAL RENTAL HOUSING PROGRAM
ORIGINATION AND SERVICING HANDBOOK.** This
Handbook is partially revised. The specific
revisions are outlined below.

- Removal of all DEI and Environmental Justice references to comply with Executive Orders
- Removal of all references to the Response to the Notice.
- The Agency will require applicants to submit an application which consists of three components; (1) the completed Section 538 Guaranteed Rural Rental Housing Program (GRRHP) Response Form, (2) the lender's certifications and (3) supporting documentation which will include exhibits and required forms.
- Replaced "Response to the Notice" with "Application Process"
- Added language about the "538 GRRHP Response Form"
- Added language about the Guarantee Fee Structure Designation
- Added language about the Participation in Energy Efficient Programs
- Amended the Borrower Eligibility section in accordance with 2 CFR 180.300
- Updated address to submit applications for lender approval.
- Added language about the screening lenders in the Do Not Pay portal.
- Added language to define lender's Principal.
- Added the eligibility website address.
- Removed all References to the Notice to Proceed
- Added language that applications must be submitted electronically and to the appropriate Processing and Report Review Branch.
- Added language that applications for Section 515 and 538 joint transactions must be submitted to the Agency at the same time.
- Added language that loan documents submitted at closing must have been approved by the Agency.
- Removed references to forms (AD 1047 and AD 1048).
- Removed references to Sources and Uses Comprehensive Evaluation (SAUCE) replaced with "Sources and Uses".
- Changed the Agency review timeframe from 90 days to 30 days.
- Removed references of sending applications to the National Office, replaced with sending applications to the appropriate PRR Branch.

(CON.)

RD HANDBOOK CHANGES

**INSERT RD HB-1-3565 (Cont.)
(WSAL)**

- Added language that applications with certain criteria will be sent to the Underwriting Branch for review.
- Removed language regarding if the project cannot meet conditions, the conditional commitment will not be issued.
- Change the name of the Allocation of FY 20XX form to *RD Instruction 1940-L, Exhibit A, Attachment 2 - Request for Reservation of FY 20XX MFH Funds and MPR Tools*
- Updated the Terms of Conditional Commitment section.
- Updated the GRRHP Fees section.
- Updated the Lapse of a Conditional Commitment section.
- Removed the paragraph that the Agency must review the lender's underwriting calculations, proformas, etc.
- Amended the guidance of submitting the lender's loan documents to OGC.
- Added language that the restrictive-use deed must be recorded separate from the regulatory agreement.
- Updated the Loan Closing section.
- Clarified the Guarantee During Construction section.
- Updated the Final cost certification section.
- Added language that the regulatory agreement must be recorded.
- Updated all contact information.
- Removed references to the Guaranteed Loan Division and replaced it with Production and Preservation Division.
- Removed all references to State Director, State Office and Field Office.
- Page numbers, sections and paragraphs were renumbered.
- Attachments were updated to reflect new policies and procedures due to the 2021 Realignment of Multifamily Housing and the notice published on 4/28/2023.

REMOVE

Chapter 4 dated 02-23-12:
Page 4-1 thru 3-31,
Attachment 4-A,
Attachment 4-C,
Attachment 4-E.

INSERT

Chapter 4 dated 02-23-12:
[Page 4-1 thru 3-31 revised,](#)
[Attachment 4-A revised,](#)
[Attachment 4-C revised,](#) and
[Attachment 4-E revised 04-18-25.](#)

(CON.)

FORM

REPLACEMENT

RD 3560-8
(WSAL)

TENANT CERTIFICATION dated 04-25.
Prescribed in Handbook HB-2-3560. The Form
and FMI are revised as follows:

- To comply with Executive Orders - item #9, replace the word "Gender" with "Sex."
- Page 1 - to correct typos - remove the "." following "at" and add "cents" after "50." and
- Page 2, item #28, remove the comma "," after 27 and add a period "."

REMOVE

FMI dated 12-06-24.

INSERT

FMI revised 04-18-25.

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