

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

MANUAL ISSUE No.
WSAL PN 651
DATE
November 25, 2025

PROCEDURE NOTICE

RD MANUAL CHANGES

INSERT RD INS 440.1
(WSAL)

INTEREST RATES, AMORTIZATION,
GUARANTEE FEE, ANNUAL CHARGE, AND FIXED
PERIOD. This Instruction is partially
revised as follows:

Exhibit B:

To update the Treasury Judgement rate and the effective date of November 1, 2025;
and

REMOVE
Exhibit B dated 08-05-25

INSERT
[Exhibit B revised 11-25-25.](#)

INSERT RD INS 2006-M
(WSAL)

MANAGEMENT CONTROL SYSTEM. This
Instruction is revised to clarify
procedures, remove outdated procedures, add current procedures, update/add/remove
organizational references for changes in organizational structures, add/remove
relevant definitions, and remove obsolete exhibits.

Title updated from Management Control System to Internal Control System.

The Table of Contents has been updated to remove numerous sections that were
obsolete due to processes or organization components that no longer exist, add
numerous sections that exist for processes or organization components that
replaced those removed. Indexes updated accordingly. TOC changes include: -

- Section 2006.605(d) Management Control Advisory Group (MCAG) replaced
with 2006.605 (d) Director, Internal Compliance Division (ICD).
- Section 2006.605 (e) Director, Financial Management Division (FMD)
replaced with 2006.605 (e) State Operations.
- Section 2006.605 (f) State Directors. replaced with 2006.605 (f) Internal
Compliance Division (ICD) Branches.

(CON)

RD HANDBOOK CHANGES**INSERT RD HB-1-3555**

(WSAL)

ratio up to 29%, revise guidance pertaining to the availability of ratio waivers, provide clarification on the treatment of debts, and make minor grammatical and formatting edits.

SFH GUARANTEED LOAN PROGRAM TECHNICAL**HANDBOOK.** The following updates were made

to HB-1-3555, Chapter 11 to permit a PITI

Paragraph 11.2 - The Ratios

- Updated the PITI ratio guidelines to reflect 29%.
- Clarified if an applicant pays off a debt to qualify, the lender must document the source of funds used.
- Clarified that to exclude a debt paid by another party, that party must be legally obligated to pay the debt.
- Clarified the Agency's guidelines on contingent liabilities.

Paragraph 11.3 Debt Ratio Waivers and Compensating Factors

- Updated to clarify that ratio waivers are permissible if the requirements cited are met.

REMOVE

Chapter 11 dated 03-09-16:

Pages 11-1 thru 11-13.

INSERT

Chapter 11 dated 03-09-16:

[Pages 11-1 thru 11-14 revised 11-22-25.](#)**FORM****NEW****RD 3560-80**

(WSAL)

REPLACEMENT RESERVE INTERCREDITOR AGREEMENT

dated 11-25. Prescribed in 7 CFR Part 3560 and 7 CFR Part 3565. This is a new Form to

standardize the terms for reserve account withdraws when a Borrower has a loan from both USDA's Section 515 direct loan program and from a Lender approved under USDA's Section 538 guaranteed rural rental housing program. By adopting standardized terms, the Borrower does not have to maintain separate reserve accounts for USDA and the 538 Lender. Additionally, the combined reserve account is governed by standardized procedures. This form requires the identification of the three parties to the transactions (USDA, 538 Lender, and Borrower), the individual loans and loan amounts, the affordable housing project that is collateral for both loans, and the signatures of the three parties' authorized representatives. The Form and FMI can be located on the eForms website [eForms Home \(usda.gov\)](https://www.usda.gov/eForms).

INSERT

FMI dated 11-25-25.

FORM

REPLACEMENT

RD 3560-9
(WSAL)

Form and FMI are being revised to remove references to Servicing Office and State Director and replaced with Leadership Designee. The Form and FMI can be located on the eForms website [eForms Home \(usda.gov\)](https://usda.gov).

REMOVE

FMI dated 02-24-05.

MULTIPLE FAMILY HOUSING INTEREST CREDIT

AGREEMENT dated 11-25. Prescribed in CFR part 3560, subpart B and HB-2-3560. The

INSERT

FMI revised 11-25-25.

RD 3560-17

(WSAL)

The Form and FMI are being revised to remove references to State Director and replaced with Leadership Designee. The Form and FMI can be located on the eForms website [eForms Home \(usda.gov\)](https://usda.gov).

REMOVE

FMI dated 02-24-05.

MULTIPLE FAMILY HOUSING NOTE CONSOLIDATION

dated 11-25. Prescribed in 7 CFR part 3560, HB-3-3560, AMAS Manual, Chapter 4.

INSERT

FMI revised 11-25-25.

RD 3560-17A

(WSAL)

3560, HB-3-3560, AMAS Manual, Chapter 4. The Form and FMI are being revised to remove references to State Director and replaced with Leadership Designee. The Form and FMI can be located on the eForms website [eForms Home \(usda.gov\)](https://usda.gov).

REMOVE

FMI dated 02-24-05.

MULTIPLE FAMILY HOUSING CONSOLIDATION
OF PROJECTS/LOAN AGREEMENTS/RESOLUTIONS

dated 11-25. Prescribed in 7 CFR part

INSERT

FMI revised 11-25-25.

RD 3560-21

(WSAL)

CFR part 3560 and HB-3-3560. The Form and FMI are being revised to remove references to Field Office and State Director and replaced with Leadership Designee. The Form and FMI can be located on the eForms website [eForms Home \(usda.gov\)](https://usda.gov).

REMOVE

FMI dated 02-24-05.

MULTIPLE FAMILY HOUSING ASSUMPTION

AGREEMENTS dated 11-25. Prescribed in 7

INSERT

FMI revised 11-25-25.

(CON)

FORM

REPLACEMENT

RD 3560-28

(WSAL)

3560 and HB-3-3560. The Form and FMI are being revised to remove references to Field Office and State Director and replaced with Leadership Designee. The Form and FMI can be located on the eForms website [eForms Home \(usda.gov\)](https://www.usda.gov/eforms).

REMOVE

FMI dated 02-24-05.

MULTIPLE FAMILY HOUSING EXCEPTION TO LATE

FEES dated 11-25. Prescribed in 7 CFR part

INSERT

FMI revised 11-25-25.

RD 3560-50

(WSAL)

The Form and FMI are being revised to remove references to Field Office and State Director and replaced with Leadership Designee. The Form and FMI can be located on the eForms website [eForms Home \(usda.gov\)](https://www.usda.gov/eforms).

REMOVE

FMI dated 02-24-05.

MULTIPLE FAMILY HOUSING CONVERSION

AGREEMENT dated 11-25. Prescribed in 7 CFR part 3560 and HB-3-3560 and AMAS Manual.

INSERT

FMI revised 11-25-25.

RD 3560-56

(WSAL)

references to State Office and State Director and replaced with Leadership Designee. The Form and FMI can be located on the eForms website [eForms Home \(usda.gov\)](https://www.usda.gov/eforms).

REMOVE

FMI dated 12-21-18.

REPORT ON REAL ESTATE PROBLEM CASE dated 11-25. Prescribed in HB-3-3560. The Form and FMI are being revised to remove

INSERT

FMI revised 11-25-25.

oOo