



Rural Development

June 4, 2020

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Administrator

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TO: State Directors
Rural Development

ATTN: Program Directors
Single Family Housing

FROM: Bruce W. Lammers /s/ *Bruce W. Lammers*
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SUBJECT: Temporary Authorization for Fiscal Year 2020
Single Family Housing Direct Program

PURPOSE:

This memorandum provides the temporary authorization to use new loan proceeds in lieu of processing a new rates and terms assumption when an applicant is purchasing an existing borrower's property.

The temporary authorization is effective as of the date of this memorandum and expires on September 30, 2020.

BACKGROUND:

This temporary authorization, which has been granted in the past, will help reduce loan application processing times and will promote full and prompt utilization of direct loan funds.

IMPLEMENTATION RESPONSIBILITIES:

A transaction that would typically be processed as a new rates and terms assumption as prescribed in Handbook-1-3550 should be processed as an initial loan for the remainder of this fiscal year.

State Offices with questions regarding this memorandum should contact their point of contact in the Single Family Housing Direct Loan Division.

EXPIRATION DATE:
September 30, 2020

FILING INSTRUCTIONS:
Housing Programs