PROCEDURE NOTICE

NOTICE

REMOVE RD INS 2063-L (WSAL) ADMINISTRATIVE GRIEVANCE PROCEDURE. This Instruction is being obsoleted. All RD employees will follow guidance under Department Regulation 4070-771-001 “Administrative Grievance System.”

REMOVE
Table of Contents; and All pages.

RD MANUAL CHANGES

INSERT RD INS 2045-GG (WSAL) DISCIPLINARY AND ADVERSE ACTIONS - PERFORMANCE-BASED ACTIONS, AND PROBATIONARY TERMINATIONS. This Instruction is partially revised to remove reference to obsoleted RD Instruction 2063-L.

REMOVE
Exhibit C: Pages 1 & 2 and 9 & 10.

INSERT
Exhibit C: Pages 1 & 2 (Rev 1) and 9 & 10 (Rev 1).

RD HANDBOOK CHANGES

INSERT RD HB-1-3555 (WSAL) SFH GUARANTEED LOAN PROGRAM TECHNICAL HANDBOOK. This Handbook is partially revised. Specific revisions include:

Chapter 11:

Paragraph 11.2 B:

- Revised third paragraph for better flow and clarification.

Revolving accounts:

- Added “with no outstanding balance” to the bullet indicating revolving accounts are not required to be closed. (fifth bullet).

Installment and 30-Day account:

- Rearranged bullets for clarity and flow.
RD HANDBOOK CHANGES
INSERT RD HB-1-3555 (Con.)
(WSAL)

Mortgages:  Rental Property:

- Eliminated wording that advised the lender to omit mortgage debt. Clarified third bullet to remove manual entry as GUS automatically calculates.

Added "Debt management plans" and following bullets:

- Include the monthly payment amount due from the counseling plan.

- Refer to Chapter 10 for guidance on credit exception and documentation requirements.

Student Loans:

- Removed the phrase “the greater of” from Non-Fixed payment loans and added “when the payment is above zero” and “when the payment is above zero.

Paragraph 11.3 A:

- Added The lender must document compensating factors to support a debt ratio waiver.”

- Added: All of the following conditions are met to the first paragraph.

Acceptable Compensating Factors and Supporting Documentation:

-Revised the second paragraph to point the reader to chapter 9 documentation requirements for reserves.

Debt Ratio Waiver Request Guarantee and Agency Approval:

- Added “The issuance of the Conditional Commitment for a Loan Note represents Agency approval of the ratio waiver.

GUS Accept loans:

- added the bullet “GUS files that receive a GUS recommendation of Refer, Refer with Caution or are not supported by GUS require debt ratio waivers, and supporting documentation must be submitted to the Agency.

- Added “the issuance of the Conditional Commitment for a Loan Note Guarantee represents Agency approval of the ratio waiver” for consistency with the purchase ratio waiver language.

Removed: "Non-Streamlined and Streamlined refinance loans require the lender to document the compensating factors that justify a debt ratio waiver.” As it is now captured in bullet one above.

(CON.)
RD HANDBOOK CHANGES
INSERT RD HB-1-3555 (Con.)
(WSAL)

Paragraph 11.5 A:
- Incorporated bullet 8 with bullet 6 for clarity.

Paragraph 11.7:
- Added “unless a payment plan is in place” to Federal, state, and local taxes located on the second bullet for clarity.

Chapter 18:
The purpose is to provide additional guidance that was successfully administered in the Streamlined Pilot and implement it into in the Disaster section of the handbook. To allow a straight rate and term modification which is similar to the streamlined pilot for borrowers who were delinquent prior to the disaster or for borrowers who have trouble re-engaging post forbearance. In addition, language was added to the foreclosure section directing servicing to consider previously paid MRA/Partial Claims when determining total debt for bidding purposes. Also, revisions were made to formatting, minor grammatical errors, and improve readability.

Paragraph 18.10 B:
- Add MRA/Partial Claim already paid in the calculation of Total debt.

Paragraph 18.15:
- Reformatted, revised guidance “The lender may offer options in Section 18.15(A) if the borrower meets the following conditions.”

Paragraph 18.15 A:
- Added: If the borrower meets the conditions above, the lender may offer any one of the following options.

Paragraph 18.15(A):
- Bullet Four: Removed the Term Extension and revised to Payment Deferral.

Paragraph 18.15 (A):
- Bullet Six: Removed the word “interest” and replaced with delinquency.

(CON.)
RD HANDBOOK CHANGES
INSERT RD HB-1-3555 (Con.) (WSAL)

Paragraph 18.15 B:
- Added "COVID 19- Public Health Emergency."

Paragraph 18.15 C:
- is added COVID-19 Special Relief Measures.

Attachment 18-A: Completely reformatted to match the Handbook layout/design.

Attachment 18-A (3) (N): Remove Bullet One, which is no longer applicable

Attachment 18-A (3) (U): Added second paragraph.

REMOVE
Table of Contents dated 03-09-16: Pages 5 & 6;
Chapter 11 dated 03-09-16: Pages 11-1 thru 11-11.
Chapter 18 dated 03-09-16:
Pages 18-9 thru 18-17.
Attachment 18-A.

INSERT
Table of Contents dated 03-09-16: Pages 5 & 6 revised;
Chapter 11 dated 03-09-16: Pages 11-1 thru 11-12 revised;
Chapter 18 dated 03-09-16: Pages 18-9 thru 18-18,
Attachment 18-A revised 09-22-21.

NO SPECIAL PROCEDURE NOTICE RELEASED.

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