PROCEDURE NOTICE

RD MANUAL CHANGES

INSERT RD INS 440.1

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

Exhibit B is partially revised to update the Treasury Judgement rate and the
effective date of March 1, 2024.

INSERT

Exhibit B revised 3-7-24.

RD HANDBOOK CHANGES

INSERT RD HB-1-3550

DIRECT SINGLE FAMILY HOUSING LOANS AND
GRANTS FIELD OFFICE HANDBOOK. Chapter 12
is revised to streamline and/or clarify
program requirements. The specific revisions are outlined below:

Edits include but are not limited to:

- 12.2, A., Added new section addressing eligible uses of 504 program funds.
- 12.3, Added new section for Form RD 3550-35, Section 504 Home Repair Loan and
  Grant Program Intake Form.
- 12.5, B., Language added to specify that a TMCR is not required to deny a loan
  request of less than $7,500.
- 12.5, C., Language added to specify that home equity should not be included in
  the applicant’s asset requirements.
- 12.5, F., Guidance added to address trusts.
- 12.6, B. and Attachment 12-B Language added to specify that an appraisal is
  never required for unsecured loans.
- 12.8, B. Language added to specify that a change in ownership resets a
  dwellings grant eligibility provided the transfer was not to another household
  member.
- Attachment 12-A updated to specify that a list of settlement service providers
  is only required when a Loan Estimate is issued, removed outdated information
  related to adjusted income exceeding 30%, and noted that loans $7,500 or
greater require a TMCR.

READ PROCEDURE - DISCUSS IN STAFF CONFERENCE - KEEP PROCEDURE MANUAL UP TO DATE
RD HANDBOOK CHANGES

INSERT RD HB-1-3550 (Con.)
(WSAL)

- Update Attachment 12-C, 504 Single Family Housing Loan and Grant Checklist to:
  o Added prequalification processing section,
  o Added builders warranty line to contracts $10,000 or less, and
  o Updated miscellaneous classification codes related to ECF updates.
- These changes will:
  o Ensure consistency between the 502 and 504 program documents.
  o Increase grant obligation.

INSERT
Chapter 12 dated 01-23-03:
Pages 12-1 through 12-14,
Attachment 12-A through 12-C revised 03-08-24.

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