

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

MANUAL            ISSUE No.  
WSAL              PN 607  
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March 8, 2024

## 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 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  
(WSAL)

**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updated to specify that a list of settlement service providers is only required when a Loan Estimate is issued, removed outdated information related to adjusted income exceeding 30%, and noted that loans \$7,500 or greater require a TMCR.

**RD HANDBOOK CHANGES**

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

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