

## 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 various program rates and the Treasury Judgement Rate effective May 1, 2018.

REMOVE

Exhibit B: Pages 1 & 2 (Rev 111).

INSERT

Exhibit B: Pages 1 & 2 (Rev 112).

INSERT RD INS 1901-A  
(WSAL)

**LOAN AND GRANT APPROVAL AUTHORITIES.** This Instruction is partially revised as follows:

- to update employee titles and outdate reference from District to Area Offices;
- § 1901.4(f), to add a National Office training curriculum as a prerequisite to delegating approval authority by State Directors;
- Exhibit B, to give State Directors approval authority over the Delta Health Care Services Grant program and change Small Socially-Disadvantaged Producer Grants to the new program name, Socially-Disadvantaged Groups Grants; and
- Exhibits D and E, to eliminates initial 75% of Area Loan Limits for Single Family Housing Direct approval authority and all Multifamily Housing approval authority below the State Director level;

REMOVE

All pages;  
Exhibit B;  
Exhibit D; and  
Exhibit E.

INSERT

Pages 1 & 2;  
Exhibit B revised;  
Exhibit D revised; and  
Exhibit E revised 06-04-18.

(CON.)

**RD MANUAL CHANGES**

**INSERT RD INS 2063-F  
(WSAL)**

reference to obsoleted RD Instruction 2063-H and is replaced with Departmental Regulation 4070-735-001 ``Employee Responsibilities and Conduct`` dated October 4, 2007.

**EMPLOYEE ASSISTANCE PROGRAM.** Section 2063.251(f) is partially revised to remove

REMOVE  
Pages 1 & 2.

INSERT  
Pages 1 & 2 (Rev 1).

**REMOVE RD INS 2063-H  
(WSAL)**

4070-735-001 ``Employee Responsibilities and Conduct`` dated October 4, 2007.

**EMPLOYEE RESPONSIBILITIES AND CONDUCT.**  
This Instruction has been obsoleted and is replaced with Departmental Regulation

REMOVE  
Table of Contents; and  
Pages 1 thru 13.

**RD HANDBOOK CHANGES**

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

**DIRECT SINGLE FAMILY HOUSING LOANS  
AND GRANTS FIELD OFFICE HANDBOOK.**  
This Handbook is partially revised.  
Specific revisions include:

This Handbook is partially revised. The specific revisions are outlined below.

**Chapter 3:**

Paragraph 3.4 (B), to add Utah State University Extension as a nationally approved online homeownership education provider with third preference format.

Paragraph 3.8 (A)(1), to add Handbook Letter 5, Cover Letter to Truth in Lending Disclosure, and to remove the reference to Paragraph 4.26 in the bullet related to the home loan toolkit.

Paragraph 3.13 (B)(3), to clarify the conditions for a hardship designation and provide an example of a deficient housing scenario.

Attachment 3-A, to add guidance regarding how to become a certified packager; to state that a blank copy of the Memorandum of Understanding between the Agency and an approved intermediary can be located on the program's Forms and Resources page; and to clarify information regarding payment of the packaging fee.

Attachment 3-C, to clarify the priority status for deficient housing for the Deitrich example.

Attachment 3-D, to clarify that financed homes must be located on streets maintained by a public body or a homeowner's association.

**RD HANDBOOK CHANGES****INSERT RD HB-1-3550 (Con.)****Chapter 3:**

Attachment 3-G, to reorganize and revise the attachment. Revisions of note include: Adding filing positions for the Electronic Customer File (ECF); adding Handbook Letters 1, 5, 3, 4, 10 & 16; removing the requested field for TMCRs since the date requested and date received should be the same; adding line items for the loan eligibility narrative at the Eligibility, Approval, and Closing stages; removing the requirement to send the lead based paint hazard pamphlet and home loan toolkit along with Form RD 3550-23; adding items related to the flood hazard requirements; clarifying that a whole house inspection is required for an existing property; adding a line item to review a leveraged lender's terms and fees; adding a line item for copies of security instruments from other funding sources; and clarifying that closing documents may be submitted to CSC via fax, ECF, imaging, or email.

Attachment 3-J is revised to clarify that the credit report fee must be paid via check or money order; to stress that receipt of alimony and/or child support must be reported; to specify that verification of assets must be provided for the entire household, not just the applicants; and to ask for evidence of the applicant's valid/full taxpayer identification (such as a copy of the Social Security card, pay stubs with the full taxpayer ID listed, etc.).

**Chapter 4:**

Paragraph 4.26, to remove the requirement to send the lead based paint hazard pamphlet and home loan toolkit along with Form RD 3550-23, Applicant Orientation Guide.

**Chapter 7:**

Paragraph 7.2, to clarify that a borrower is exempt from escrow when assuming a loan on same rates and terms, if the loan is not past due.

Paragraph 7.6, to clarify the process for paying for course of construction (aka builder's risk) and hazard insurance policies for a new construction loan and to add Exhibit 7-2 to provide examples.

Paragraph 7.12 (A), to clarify that CSC may force place hazard insurance when the applicant was initially required to maintain hazard insurance.

Paragraph 7.12 (B), to clarify that flood insurance is not required for properties with an original balance of \$5,000 or less; and adds language regarding other environmental considerations for properties in a flood zone.

(CON.)

**RD HANDBOOK CHANGES**

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

**Appendix 2:**

Appendix 2, to remove unneeded spaces and make the appendix three pages (instead of four); no content was changed.

**Appendix 3:**

Appendix 3, to revise Handbook Letter 2, Funds Not Available, to better reflect the programs' complete application requirements and to strongly encourage first-time homebuyers to take the homeownership education course early in the application process. The appendix was further revised to add Handbook Letter 5, Cover Letter to Truth in Lending Disclosure.

**Appendix 4:**

Appendix 4, to remove unneeded spaces which made this appendix (17 pages instead of 19); no content was changed.

REMOVE

Chapter 3 dated 01-23-03:  
Pages 3-7 & 3-8, 3-9 & 3-10,  
3-17 thru 3-21,  
Attachments 3-A,  
Attachments 3-C: Pages 3 & 4,  
Attachments 3-D: Pages 3 thru 5,  
Attachments 3-G and 3-J.  
Chapter 4 dated 01-23-03:  
Page 4-71;  
Chapter 7 dated 01-23-03:  
Pages 7-1 & 7-2, 7-5 thru 7-11;  
Appendix 2 dated 01-23-03:  
Pages 1 thru 4;  
Appendix 3 dated 01-23-03:  
Page 1;  
Appendix 4 dated 01-23-03:  
All Pages.

INSERT

Chapter 3 dated 01-23-03:  
Pages 3-7 & 3-8, 3-9 & 3-10,  
3-17 thru 3-21 revised;  
Attachments 3-A revised,  
Attachments 3-C: Pages 3 & 4 revised,  
Attachments 3-D: Pages 3 thru 5 revised,  
Attachments 3-G and 3-J revised 06-04-18.  
Chapter 4 dated 01-23-03:  
Page 4-71 revised;  
Chapter 7 dated 01-23-03:  
Pages 7-1 & 7-2, 7-5 thru 7-11 revised;  
Appendix 2 dated 01-23-03:  
Pages 1 thru 3;  
Appendix 3 dated 01-23-03:  
Page 1,  
Handbooks 2 revised, and  
Handbook 5 added;  
Appendix 4 dated 01-23-03:  
Pages 1 thru 17 revised 06-04-18.

**RD HANDBOOK CHANGES**

**RD HB-1-3555  
(WSAL)**

**SFH GUARANTEED LOAN PROGRAM TECHNICAL HANDBOOK.** This Handbook is partially revised as follows:

**Chapter 12:**

Section 12.3.B: to update the link to "USDA Rural Development Property and Income Eligibility Website";

Section 12.3.C: The policy is updated to require:

- Loan application dated prior to the date of the updated maps.
- Loan Estimate is issued within three days of the loan application.
- Ratified sales contract dated prior to the date of the updated maps.
- The borrower and property must meet all other eligibility requirements.

Section 12.9.A: to updated link to the HUD Handbook website

Attachment 12-A: to update the website link

REMOVE

Chapter 12 dated 03-09-16:  
Pages 12-1 & 12-2,  
12-3 & 12-4, 19 & 12-20;  
Attachment 12-A: Pages 1 & 2.

INSERT

Chapter 12 dated 03-09-16:  
Pages 12-1 & 12-2, 12-3 & 12-4,  
12-19 & 12-20 revised;  
Attachment 12-A:  
Pages 1 & 2 revised 06-04-18.

**INSERT RD HB-2-3550  
(WSAL)**

**DIRECT SINGLE FAMILY HOUSING LOANS AND GRANTS - CUSTOMER SERVICE CENTER HANDBOOK.**

This handbook is partially revised. The

specific revisions are outlined below.

**Table of Contents:**

Updated to reflect revisions to the handbook.

**Chapter 3:**

Paragraph 3.3 A(1)(2), includes wind as applicable damage; clarifies that CSC may force place hazard insurance when the applicant was initially required to maintain hazard insurance; clarifies that flood insurance is not required for properties with an original balance of \$5,000 or less; and adds reminder language regarding other environmental considerations for properties in a flood zone.

**RD HANDBOOK CHANGES**  
**RD HB-2-3550 (Con.)**

Paragraph 3.5 A, clarifies that a borrower is exempt from escrow when assuming a loan on same rates and terms if the loan is not past due.

Paragraph 3.6 B(3), clarifies the borrower's responsibility for required insurance premium(s) during new construction.

REMOVE

Table of Contents:  
Pages 5 & 6;  
Chapter 3 dated 05-27-98:  
Pages 3-1 thru 3-4 and  
3-9 thru 3-14.

INSERT

Table of Contents:  
Pages 5 & 6 revised;  
Chapter 3 dated 05-27-98:  
Pages 3-1 thru 3-4 and  
3-9 thru 3-14 revised 06-04-18.

**INSERT RD HB-3-3560**  
**(WSAL)**  
specific revisions are outlined below.

**MFH PROJECT SERVICING HANDBOOK.** This handbook is partially revised. The

**Table of Contents:**

Updated to reflect revisions to the handbook.

**Chapter 6:**

To incorporate the guidance provided in the Unnumbered Letter entitled "Dynamic Servicing Strategies for the Multifamily Housing Direct Loan Portfolio" originally published May 8, 2011 and reissued on August 28, 2012. The revision renames Chapter 6 from "Determination of Project Suitability" to "Portfolio and Property Assessment."

REMOVE

Table of Contents:  
Pages 5 & 6;  
Chapter 6 dated 02-24-05:  
Pages 6-1 thru 6-14.

INSERT

Table of Contents:  
Pages 5 & 6 revised;  
Chapter 6 dated 02-24-05:  
Pages 6-1 thru 6-17 revised,  
Attachment 6-A added 06-04-18.

**OBSOLETE**

**GUIDE LETTERS \***  
(WSAL)

The following Guide Letters are no longer needed and has been made obsolete.

<u>GUIDE LETTER No.</u>	<u>TITLE</u>	<u>REMOVE</u>
2045-GG-01	Redelegation of Disciplinary Authority	02-20-91
2045-GG-02	Proposed Suspension - 14 Days or Less	10-16-91
2045-GG-03	Decision to Suspend for 14 Days or Less	10-16-91
2045-GG-04	Separating An Employee During Probation	10-16-91
2045-GG-05	Letter of Caution and Reprimand	10-16-91
2045-GG-06	Proposing An Indefinite Suspension	
2045-GG-07	Proposing to Remove; Reduce In Grade or Pay Suspension Over 14 Days	10-16-91
2045-GG-08	Proposed Removal For Unacceptable Performance	10-16-91

**SPECIAL PROCEDURE NOTICE RELEASED:**

SPECIAL PN NOTICE dated 05-18-18. DISTRIBUTION: WSAL.  
(Re: RD Instruction 4279-14.)

**ADMINISTRATIVE NOTICES RELEASED:**

(See AN Checklist)