

## PN 532, 12/12/2019 SUMMARIZATION FOR SELF-HELP

§ 1944.403(f), the words project and homes were added to be inclusive of Self-Help Rehab type programs and not just new construction;

§ 1944.403(g), revised to reflect that the Equivalent value of a modest home is often referred to as the Cost of Contractor-Built home and encourage States with self-help to release these figures as an annual policy;

### **New language:**

Equivalent value of a modest house. The equivalent value of a modest house is the typical cost of a recent contractor-built Rural Development financed home in the area plus the actual or projected costs of an acceptable site and site development. If Rural Development has not financed a contractor-built house during the last twelve months, the value will be established by use of the Marshall and Swift cost handbook or a similar type of handbook. Equivalent value of a modest house is established by Rural Development.

§ 1944.403(h), to reference the new Exhibit P for indirect costs rate negotiation;

§ 1944.403(l), 'rehabilitation type construction' was clarified to include both acquisition and owner-occupied type rehab;

§ 1944.403(n) (8), added that 504 loans/grant may be included in providing financial supervision to individual families;

§ 1944.404(c) (4), to add a minimum number of board numbers for smaller organizations;

### **New language, actually found in 1944.404 (d) (4):**

(4) Has a Board of Directors which consist of not less than five.

§ 1944.405(e), authorized use of grant funds;

§ 1944.405 (e) (1) thru (e) (3), added to set a standard for organizations charging a tool fee to participating builders;

### **New Language:**

(e) Purchase, lease, or maintenance of power or specialty tools such as a power saw, electric drill, saber saw, ladders, and scaffolds, which are needed by the participating families. The participating families, however, are expected to provide their own hand tools such as hammers and handsaws. If the grant award will not cover all tools, any proposal to charge a tool rental fee directly to a program participant must meet the following criteria:

- (1) The fee amount must be reasonable and approved by Rural Development. (Added 12-12-19, PN 532.)
- (2) The proposal must demonstrate that the program participants are receiving the best value as compared to renting from other sources. These funds may only be

used for the rental of tools and other miscellaneous shared cost items for the building group (i.e. porta- potty, scaffolding, temporary power supply, etc.). (Added 12-12-19, PN 532.)

(3) All rental fees must be tracked as a separate ledger item with disbursements approved and reviewed annually by the Technical and Management Assistance (T&MA) Contractor and Rural Development. (Added 12-12-19, PN 532.)

§ 1944.405(f), to add the authorized use of grant funds and added to define the minimum amount of liability insurance required;

**New language:**

(f) Payment of liability insurance and special purpose audit costs associated with self-help activities. These would be considered direct costs, even though the grantee's general liability insurance cost and the cost of audits for the organization are generally indirect costs.

§ 1944.407, to add reference to Exhibit H for sample Technical Assistance fee calculations;

§ 1944.407(d), to add standard for cost savings be equal to or greater than the Technical Assistance cost for Rehab type projects;

**New language:**

(d) A negotiated amount for repair and rehabilitation type proposals. At a minimum, applicants applying for repair and rehabilitation grants must include information on the proximity of the houses in a project, the typical needed repairs, and the cost savings between self-help and contractor rehabilitation and repair.

§ 1944.407(e), added to note that other Technical fee limitation may apply and would be released on annual basis;

**New language:**

(e) Other limitations announced by Rural Development in an annual funding policy. (Added 12-12-19, PN 532.)

§ 1944.410(a) (3), to add the requirement to include the organization last annual audit in their application docket;

**New language:**

(3) A current (no more than 12 months old) dated and signed financial statement showing the amounts and specific nature of assets and liabilities together with information on the repayment schedule and status of any debt owed by the applicant. If the applicant is being sponsored by another organization, the same type of financial statement also must be provided by the applicant's sponsor. The applicant organization's most recent audit report will be provided, if available. (Revised 12-12-19, PN 532.)

§ 1944.410(e), to add reference to the new Exhibits G and I for application checklist;

**New language:**

(e) Form SF-424, "Application for Federal Assistance." The applicant will submit Form SF-424 in an original and one copy to the District Director. The application should provide a detailed proposal of its goals including (see Exhibit G and I for new

construction and rehabilitation type application checklists): (Revised 12-12-19, PN 532.)

§ 1944.410(e)(11), added to reference other applicable items needed in the application docket that are outlined on the checklists, Exhibits G and I; § 1944.411,

§ 1944.411, to add reference to the new Exhibit J for the sample letter of conditions;

§ 1944.411(g)(1) thru (4), added to include 2 CFR 200 language regarding the requirement to hold Federal grant funds in an interest-bearing checking account.

§ 1944.417(a)(1), to add additional instruction for approving draw request;

**New language:**

(g) The grantee has established an interest bearing checking account on which at least two bonded officials will sign all checks issued and understands that interest earned in excess of \$250.00 annually must be submitted to Rural Development quarterly. (The use of minority depository institutions is encouraged.) Effective September 10, 2015, interest earned up to \$500 per year may be retained by the grantee for administrative expense in accordance with 2 CFR §200.305(b)(9). Grantees must maintain advance payments of Federal awards in interest-bearing accounts in accordance with 2 CFR §200.305(b)(8) unless the following apply: (Revised 12-12-19, PN 532.)

(1) The non-Federal entity receives less than \$120,000 in Federal awards per year. (Added 12-12-19, PN 532.)

(2) The best reasonably available interest-bearing account would not be expected to earn interest in excess of \$500 per year on Federal cash balances. (Added 12-12-19, PN 532.)

(3) The depository would require an average or minimum balance so high that it would not be feasible within the expected Federal and non-Federal cash resources. (Added 12-12-19, PN 532.)

(4) A foreign government or banking system prohibits or precludes interest bearing accounts. (Added 12-12-19, PN 532.)

§ 1944.411(i), added to clearly state that all organizations must be cleared through the Do Not Pay portal or equivalent system that checks for Federal Debarment, etc;

§ 1944.415(a)(1), added to better outline the process once a grant has been approved;

**New language:**

(1) Once funds have been obligated, the National Office will issue a letter to the State Director confirming the obligation and outlining any additional closing conditions. The Letter of Conditions (LOC) will include all conditions to grant closing and issue it with the grant agreement, as applicable. This final LOC is part of the grant docket and no funds may be released to the grantee before the grant agreement is fully executed. Once the grant is closed, a copy of the fully executed grant agreement and LOC are also provided to the T&MA Contractor. (Added 12-12-19, PN 532.)

§ 1944.415(a) (2), added to state the Office of External Affairs process must be completed prior to public announcement of a grant award;

§ 1944.417(b), to add that quarterly meetings can be achieved virtually and should include 502/504 processing staff;

**New language:**

(b) Quarterly, the grantee will submit Exhibit B of this subpart in an original and three copies to the County Supervisor on or before January 15, April 15, July 15, and October 15 which will verify its progress toward meeting the objectives stated in the Agreement and the application. The County Supervisor will immediately complete the County Office review part and forward the report to the District Office. After Exhibit B is received in the District Office, a meeting should be scheduled between the grantee, District Director, and the County Supervisor since this is an opportune time for both the grantee and Rural Development to review progress to date and make necessary adjustments for the future. This meeting is required if the grantee was previously identified as a problem grantee or will be identified as a problem grantee at this time. **Regardless of whether a meeting will be held, the following will be done (Note: Conducting this meeting virtually is permitted. The grantee, Rural Development staff administering the TA grant, processing Section 502 loans / Section 504 loans and grants, and the T&MA Contractor should participate in meetings): (Revised 12-12-19) PN 532.)**

§ 1944.417(b) (1), added the automated processing for Exhibit B is permissible;

§1944.417(b) (2), information on what constitutes a performance issue in addition

to referencing Exhibit M for a sample High Risk letter was included;

§ 1944.417(b) (2) (i) revised to reference the new Exhibit N for sample High Risk

Removal Letter;

§ 1944.417(b) (2) (iii), add language that state that grant termination should only

be done with concurrence from the National Office;

**New language:**

(2) The District Director will submit Exhibit B to the State Director who will evaluate the quarterly report along with the District Director's comments. If the State Director determines the grantee is progressing satisfactorily, the State Director will sign and forward Exhibit B to the National Office. However, if the State Director determines the grantee is not performing as expected, the State Director will notify the grantee that it has been classified a "High Risk" grantee. The notice will specify the deficiencies and inform the grantee of proposed remedies for non-compliance. Performance issues include any problem that will affect or is affecting the grantee's ability to meet the five grant goals with consideration for issues that may be caused by Rural Development delays. See Exhibit M for a sample "High Risk" designation letter. (Revised 12-12-19) PN 532.)

The notice will advise the grantee that Rural Development is available to assist and provide the name and address of an organization that is under contract with Rural Development to assist them. The State Director will forward a copy of Exhibit B, District Directors comments, and the reasons for classifying them as "High Risk" to the National Office, Single Family Housing, Special Programs Branch. When the period of time provided for corrective action has expired, an assessment will be made of the progress by the grantee toward correcting the situation. If the State Director determines:

(i) The situation has been corrected or reasonable progress has been made toward correcting the situation, the "High Risk" status will be lifted and the grantee so notified. See Exhibit N for sample "High Risk" removal letter. (Revised 12-12-19, PN 532.)

(ii) The situation has not been corrected but it is correctable if additional time is granted, an extension will be issued.

(iii) The situation has not been corrected and it is unlikely to be corrected if given additional time, the grant will be terminated under §1944.426(b)(1) of this subpart. Termination of a grant should only begin with concurrence from the National Office, Single Family Housing, Special Programs Branch. (Revised 12-12-19) PN 532.)

§ 1944.419, sentence added stating failure to obtain an acceptable grant rating could jeopardize future awards;

§ 1944.419(a) (3), add reference to the new Exhibit K-2;

§ 1944.419(b), add reference to the new Exhibit O;

§ 1944.419(c), added direction to copy National Office on all grantee final evaluations;

§ 1944.420 (e), added additional instructions for extension request;

**New language:**

(e)Requests for extensions or revisions should be made by the grantee in writing **prior to the expiration of the grant**. Grantee should include any pertinent documents such as a revised budget, implementation schedule and current status report utilizing Exhibit B for new construction or Exhibit K for rehabilitation. The T&MA Contractor should also review the request and provide a recommendation to Rural Development. Rural Development will review the request and if approved issue Exhibit C, “Amendment to Self-Help Technical Assistance Grant Agreement” along with an amended letter of conditions, as needed. State Directors may not approve extensions beyond one year. Time extensions beyond one year may be approved with National Office concurrence. Grantees should be monitored closely after an extension or other modification to ensure compliance and to prevent further delays. (Added 12-12-19, PN 532.)

§ 1944.422, to add Additional direction for audit of custodial accounts held by grantee organizations;

**New language:**

**§1944.422 Audit and other report requirements.**

The grantee must submit an audit to the appropriate Rural Development District Office annually (or biennially if a State or local government with authority to do a less frequent audit requests it) and the earlier of 30 calendar days after receipt of the auditor's report or nine months after the end of the grantee's audit period. The audit, conducted by the grantee's auditors, is to be performed in accordance with Generally Accepted Government Auditing Standards (GAGAS), using the publication “Standards for Audit of Governmental Organizations, Programs, Activities and Functions” developed by the Comptroller General of the United States in 1981, and any subsequent revisions. In addition, the audits are also to be performed in accordance with 2 CFR part 200 as adopted by USDA through 2 CFR part 400 and Rural Development requirements as specified in this subpart. Audits of the borrower loan funds will be required. The number of borrower accounts audited will be determined by the auditor. In incidences where it is difficult to determine the appropriate number of accounts to be audited, auditors should be authorized by the State Director to audit the lesser of 10 loans or 10 percent of total loans. Audits of

the borrower funds do not necessarily need to be tested in the same manner as the organizational audit. Agreed Upon Procedures (AUPs) may be developed and used for the Section 502 or 504 loan funds in custodial accounts. At a minimum, an AUP engagement will include a review of the draw requests to ensure charges listed can be traced back to source documents and a reconciliation of the financial institution's account record. (Revised 12-12-19) PN 532.)

(a) Nonprofit organizations and others. If determined necessary, these organizations are to be audited in accordance with Rural Development requirements in accordance with 2 CFR part 200 as adopted by USDA through 2 CFR part 400. These requirements also apply to public hospitals, public colleges, and universities if they are excluded from the audit requirements of paragraph (b) of this section. (Revised 12-12-19) PN 532.)

...

(b) State and local governments and Indian tribes. These organizations are to be audited in accordance with this subpart and 2 CFR 200 as adopted by USDA through 2 CFR part 400. The grantee will forward completed audits to the appropriate Federal cognizant agency and a copy to the Rural Development District Director. "Cognizant agency" for audits is defined at 2 CFR 200.18 as the Federal agency designated to carry out the responsibilities described in §200.513 Responsibilities, paragraph (a). The cognizant agency for audit is not necessarily the same as the cognizant agency for indirect costs. A list of cognizant agencies for audit may be found at the FAC Web site. Within USDA, the OIG shall fulfill cognizant agency responsibilities. Smaller grantees not assigned a cognizant agency by OMB should contact the Federal agency that provided the most funds. When USDA is designated as the cognizant agency or when it has been determined by the borrower that Rural Development provided the major portion of Federal financial assistance, the State Director will contact the appropriate USDA OIG Regional Inspector General. Rural Development and the borrower shall coordinate all proposed audit plans with the appropriate USDA OIG. (Revised 12-12-19, PN 532.)

§ 1944.423(a), to add requirements for rehab docketts and when other funding sources are used;

**New language:**

(a) Grantee packaging for a Rehabilitation type project, at a minimum, must include the following items: (Added 12-12-19, PN 532.)

- (1) Final Purchase and Sale Agreement – with any amendments (n/a for Owner Occupied Rehab),
- (2) Inspection Report – qualified inspector as described above,
- (3) Work Order List – with a description of materials,
- (4) Development Plan Cost Breakdown – include development/construction costs; purchase price and closing costs as applicable,
- (5) Projected Cost Savings – utilizing one of the allowed methods described below and,
- (6) Estimated Construction Period – including average labor requirements for the participants.

...

(c) The first choice for Owner Rehab funding should always be the RD Section 504 Loan/Grant programs. (Added 12-12-19, PN 532.)

§1944.424(a) thru (e), to add requirements for rehab type projects;

**New language:**

§ 1944.424 Dwelling construction and standards.

All construction will be performed in accordance with Subpart A of Part 1924 of this chapter. The planned work must meet the building requirements of 7 CFR part 3550 and meet the Development Standards as defined in subpart A of part 1924 of this chapter and in any local codes. Sites and site developments must conform to the requirements of subpart C of part 1924 of this chapter. The following applies to rehabilitations type construction projects:

(a) It is the responsibility of the Section 523 Mutual Self-Help applicant/grantee to provide adequate documentation to support the proposal for rehab projects. When a home has been identified for rehab, the grantee will need to assess the project's feasibility. Rehab projects may be on scattered sites and the construction supervisor travel cost, as well as oversight requirements for each task, should be accounted for in a grantee's feasibility analysis. Grantees should consider all organizational costs associated with undertaking the project and compare it to the maximum allowable TA amount before proceeding. (Added 12-12-19, PN 532.)

(b) The grantee must also determine if an identified home is suited for the program. Extreme consideration should be given to any hazardous materials, lead, mold and asbestos identified during the inspection. The scope of work for any project must, at a minimum, ensure that construction meets the standards in RD Instruction 1924-A and local codes for Acquisition Rehab; while Owner Occupied Rehab projects will typically need to meet Agency decent, safe, and sanitary requirements and local codes, if applicable. For this reason, a whole house inspection from a state-licensed inspector that addresses all items in Handbook HB-1-3550, paragraph 5.7 (A), is required for Acquisition projects (Added 12-12-19, PN 532.)

(c) For Owner Occupied Rehab projects, the Agency can accept an inspection from the grantee's qualified staff. State offices will determine the qualification of the grantee's staff and may require a third-party inspection on a case by case basis. Based on the inspector's findings, the grantee will prepare the project application docket described above. (Added 12-12-19, PN 532.)

(d) The grantee will be responsible for ensuring the bidding process for subcontracted work provides the best value to the program participants. The best value to the participant may be documented by comparable contractor bids, use of cost estimating software when costs appear realistic for the area, and/or the grantees certification that no better value is known based on their knowledge of the area. (Added 12-12-19, PN 532.)

(e) State offices must approve a grantee's performance of any subcontracted labor arrangements. In order for a grantee to serve as a subcontractor on a rehab project they must be licensed (if required by State law), demonstrate that they are able to provide the best value to the program participant as described above; and also have an accounting system that will ensure the 523 grant is not charged for subcontracted work which is a cost to the program participant's loan/grant. (Added 12-12-19, PN 532.)

§ 1944.425(a) thru (d), to add additional requirements for approving grantees to manage borrower loan funds; and Exhibits G through p has been added.

**New language:**

§ 1944.425 Handling and accounting for borrower loan funds.

Grantees will be required to administer borrower loan funds during the construction phases. The extent of their involvement will depend on the experience of the grantee and the amount of authority delegated to them by the District Director in accordance with § 1924.6(c) of Subpart A of Part 1924 of this chapter. Training should include Rural Development's non-discrimination policies in receiving applications. At a minimum, the following requirements must be met: (Revised 12-12-19, PN 532.)

(a) The grantee should have successfully completed at least one grant cycle. (Added 12-12-19, PN 532.)

(b) The grantee has a record-keeping system which shows that the cost of the materials and services were allocated to each borrower's account in relation to the actual material and service used by each borrower. When requesting funds from the 502 borrower accounts, the grantee should provide RD with clear documentation of the expenditures due. This should include a coversheet detailing the current charges due from the borrower as well as copies of corresponding invoices. The coversheet should be signed by both the grantee and the participating family before it is submitted to the RD for processing. (Added 12-12-19, PN 532.)

(c) Custodial Accounts maintained by the grantee on behalf of a Mutual Self-Help group with funds exceeding \$250,000 at any time must have acceptable collateral pledged with the Federal Reserve Bank in an amount not less than the excess as outlined in RD Instruction 1902-A §1902.7. To avoid this situation, the field office should monitor the custodial account as draws are requested. It is advantageous to make smaller draws on the borrower's accounts, more frequently, as funds are needed. (Added 12-12-19, PN 532.)

(d) A letter from the self-help grantee's auditor or T&MA Contractor indicating that the proposed method for bill-paying provides a means for an adequate audit trail. (Added 12-12-19, PN 532.)

**Chapter 3:**

Paragraph 3.1, to state that pre-qualifications are largely through the Single-Family Housing Direct Eligibility Assessment tool.

3.2, to state that the standard pre-qualification method is the potential applicant's self-assessment using the Single-Family Housing Direct Eligibility Assessment tool and that pre-qualifications completed by the Agency staff are limited.

Paragraph 3.3, to clarify the procedures used by the Agency staff when completing pre-qualifications in limited situations.

Paragraph 3.6(B), to remove the language pertaining to information gathered by the Agency and entered in UniFi during a pre-qualification since that process will be limited.

Paragraph 3.7, to add guidance on transferring an application to a different



servicing area.

Paragraph 3.13(B) (3), to revise the example to remove the "no minimum square footage requirement" language in light of the minimum square footage consideration added to Paragraph 5.6 (C) via the [SPECIAL PN dated July 22, 2019](#).

Paragraph 3.13(B) (5), to add the Fifth Priority: Applicants Who Do Not Qualify for the Above Priorities.

Attachment 3-A, to make changes throughout the attachment. Changes include but are not limited to: Add an introduction that includes an explanation of the packaging types; clarify that Section 523 grantees may package Section 502 or Section 504 non-self-help loan applications; state that all packagers are expected to comply with the general packaging processing guidance regardless of their packaging type; state that packagers should only gather documents needed for the specific application and provide examples; add an introduction to the required disclosure letter; title the application submittal cover letter as packaging phase 1 and provide an introduction to the cover letter; clarify actions before and after submission to the Agency; title the property submittal as packaging phase 2 and add a corresponding cover letter; add guidance that individuals interested in becoming a certified packager should become familiar with the SFH Direct Loan Application Packagers resource page; add guidance to encourage parties to view the identified training webinars prior to applying to be an intermediary; add instructions to the cover sheet for submittal of an intermediary application; clarify what requirements a State Housing Finance Agency are exempt from; and add the requirement that a party applying to be an intermediary sign the standard Memorandum of Understanding.

### **Chapter 3:**

Attachment 3-D, to make changes throughout the attachment. Changes include but are not limited to: Provide ways on how to submit an application package (including eForms and by email); add "CAN I ASSESS MY ELIGIBILITY PRIOR TO APPLYING"; remove "HOW CAN I FIND OUT IF I'M ELIGIBLE FOR A LOAN" and "WILL I KNOW RIGHT AWAY IF I QUALIFY FOR A LOAN"; add language regarding funding priorities and veteran's preference; and revise "WHAT ABOUT THE SIZE AND FEATURES OF THE HOME AND SITE" to correspond with recent changes made to Chapter 5.

Attachment 3-G, to remove the pre-qualification section since the standard prequalification method is the potential applicant's self-assessment using the Single Family Housing Direct Eligibility Assessment tool, to revise the line item related to that tax transcripts, and to add the first payment coupon.

Attachment 3-H, to revise the address for Equifax Mortgage Solutions. Conforming

changes to Chapter 1 and Handbook Letter 15 will be forthcoming.

Attachment 3-J, to make changes throughout the attachment. Changes include but

are not limited to: Revise the introduction; rearrange the items; add ``This checklist with the applicable and included items checked``; add Form RD 410-4;

remove IRS Form 4506-T, Request for Transcript of Tax Return; add ``List your personal email address(es) below if you authorize the Agency to contact you via email...``; and add ``If you have already entered into a purchase agreement (which again is strongly discouraged), provide a copy of the agreement.``

#### **Chapter 4:**

Throughout, to renumber pages following reformatting/edits and to remove the handbook symbols. Eventually, the symbols will be removed throughout the handbook.

Paragraph 4.3(A) (1), to correct that only the first \$480 of ``earned income`` from adult full-time students (who are not the borrower, co-borrower, or spouse) are counted for annual income. (Social security, child support, or other forms of unearned income are entirely counted.)

Paragraph 4.3(E), to change a reference from Paragraph 3.16 to Paragraph 3.15 (this change was also made to Paragraph 4.12); and to remove the requirement that all applicants provide a sign IRS Form 4506-T, Request for Transcript of Tax Return, at the time of loan application. The Agency will ask the applicant to directly request, obtain, and provide a copy of their tax return transcript if additional income validation is needed.

Paragraph 4.11(A), to clarify the Do Not Pay portal is used for all Single-Family Housing direct programs.

#### **Chapter 4:**

Paragraph 4.11(B), to state that infile credit reports for pre-qualifications completed by Agency staff should be limited as outlined in Section 1 of Chapter 3.

Exhibit 4-5, to remove the reliability of the applicant's credit score when discussing an authorized user to conform with the changes made with the [SPECIAL PN dated July 22, 2019](#).

Paragraph 4.15, to add an example of a structurally unsound home that deals with a manufactured home that is not affixed to a permanent foundation.

Paragraph 4.22 (B) (2), to update how student loan payments and revolving credit card debts are handled when determining total debt.

#### **New language:**

## **B. The TD Ratio**

### **2. Establishing TD**

Student loan payments. The Loan Originator must use the actual monthly payment under the existing repayment plan (as verified by the lender) if (1) the loan is in repayment status, (2) the applicant has a credit score of 640 or higher, (3) the applicant has no significant delinquency as outlined in Paragraph 4.14 B., and (4) the applicant's payment shock can be measured and is not more than 100%. If all four conditions are met and the applicant who is responsible for the student loan has, for example, a \$0 monthly payment because they are on an income-driven repayment plan, there will be no student loan payment considered in the TD ratio. The State Office may grant a case-by-case waiver to any condition if the overall risk assessment on the application warrants it and is well documented in the casefile. **When the above does not apply (e.g. because the loan is in deferment or forbearance), the higher of the monthly student loan payment listed on the credit report or one-half percent (.50%) of the student loan balance must be used in the TD ratio.**

The minimum monthly payment required for revolving credit card debts using the following applicable approach: 1) Use \$0 if the credit report indicates no outstanding balance. 2) Use the minimum monthly payment as reflected on the credit report if the credit report indicates an outstanding balance and a minimum monthly payment. 3) Use 5 percent of the outstanding balance if the credit report indicates an outstanding balance but no specific minimum monthly payment or obtain a copy of the most recent billing statement that reflects the actual monthly payment and use that amount if lower. 4) If the credit report indicates an outstanding balance but the applicant indicates that it will be (or has been) paid in full, a monthly payment will not be used provided the Loan Originator obtains documentation of payment in full.

Attachment 4-C, to amend the language regarding IRS Form 4506-T, Request for Transcript of Tax Return.

#### **Appendix 3:**

Handbook Letter 1, to remove the insertion for the number of REO properties and to add an insertion for the REO websites for decentralized and centralized foreclosure/REO states.

Handbook Letter 11, to replace "within 15 days of the date of this letter" with "by \_\_\_\_\_, \_\_\_\_\_". The field/UniFi will insert the date that is 15 days from the date of the letter so that it is clear to the applicant when the requested items are due.

Handbook Letter 15, to update the address for Equifax Mortgage Solutions.

Handbook Letter 16, to change the timing for verifications to 180 days to match Paragraph 4.3 (E) (1).