

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

MANUAL ISSUE No.
WSAL PN 572
DATE
December 8, 2022

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 December 1, 2022.

REMOVE
Exhibit B: Pages 1 & 2 (Rev 36).

INSERT
Exhibit B: [Pages 1 & 2 \(Rev 37\)](#).

INSERT RD INS 4287-B
(WSAL)

**SERVICING BUSINESS AND INDUSTRY
GUARANTEED LOANS.** This Instruction is
revised due to the publication of the Final
Rule entitled "[Updates to Servicing Requirements for Business & Industry Guaranteed
Loans](#)" dated September 23, 2022, with an effective date October 24, 2022.

RD HANDBOOK CHANGES

INSERT RD HB-1-3550
(WSAL)

**DIRECT SINGLE FAMILY HOUSING LOANS
AND GRANTS FIELD OFFICE HANDBOOK.** This
Handbook is partially revised. The specific
revisions are outlined below.

Chapter 5:

Paragraph 5.1 (B) (1), updated hyperlink to Procurement Management Office's SharePoint site.

Paragraph 5.6 (A), clarifies that area loan limit review occurs once annually and outlines process for State Directors to request exceptions to exceed the standard limits; exceptions to set limits below 80% of HUD's 203b limit will not be permitted.

Paragraph 5.6 (C) (1) & (2) removes the general maximum square footage guidance; and clarifies that "tiny" homes built on trailer chassis or not permanently affixed to real property are not eligible dwelling types.

(CON)

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

RD HANDBOOK CHANGES
INSERT RD HB-1-3550
(WSAL)

Paragraph 5.6 (D) (2), provides additional guidance related to "Accessory Dwelling Units (ADUs)".

Paragraph 5.7 (A), provides clarification for issuing state supplements waiving termite inspections in termite infestation probability zones of "none-to-slight" and "slight-to-moderate".

Paragraph 5.7 (C), updates guidance related to ALTA loan policies.

Paragraph 5.8 (C), clarifies that environmental reviews should be performed prior to ordering appraisals, and potentially amended if the appraiser indicates observation of adverse site conditions and a site visit by Agency staff confirms and warrants revision.

Paragraph 5.14, updated Appraisal Subcommittee hyperlink.

Paragraph 5.17 (C), updated the SharePoint hyperlinks to Procurement Management Office's Request Site and the SFH DLD Direct Training Hub.

Paragraph 5.17 (D), added language for when applicants believe they have experienced racial discrimination in the appraisal process, in accordance with recommendations from the Property Appraisal and Valuation Equity (PAVE) task force.

Paragraph 5.23 (C), clarifies required construction documents when a contract exceeds \$10,000 for any single contractor.

Paragraph 5.25, updated guidance regarding insured 10-year warranties.

Paragraph 5.26 (B), retitled and additional guidance is provided which outlines the steps to be taken and a general framework for communicating with the borrower and contractor when construction disputes have delayed work from progressing.

Attachments 5-A and 5-E, formatting and hyperlinks updated throughout.

Appendix 4:

Appendix 4 is revised to include the November 1, 2022, interest rate for the Above-Moderate Single Family Housing non-program loans.

REMOVE

Chapter 5 dated 01-23-03:
Pages 5-11 thru 5-16,
5-19 thru 5-30, 5-33 thru 42,
Attachment 5-A: Pages 1 & 2,
Attachment 5-E; and
Appendix 4 dated 01-23-03:
Pages 1 thru 8.

INSERT

Chapter 5 dated 01-23-03:
[Pages 5-11 thru 5-16,](#)
[5-19 thru 5-30, 5-33 thru 43,](#)
Attachment 5-A: [Pages 1 & 2 revised,](#)
[Attachment 5-E revised,](#) and
Appendix 4 dated 01-23-03:
[Pages 1 thru 9 revised 12-08-22.](#)

RD HANDBOOK CHANGES

**INSERT RD HB-1-3560
(WSAL)**

Internal Compliance Division. These MFH Loan Origination Handbook revisions will clarify applicant eligibility citizenship and qualified alien status requirements for the MFH loan origination process.

REMOVE

Chapter 4 dated 02-04-05:
Pages 4-9 & 4-10 and 29 30.

MFH LOAN ORIGINATION HANDBOOK. This Handbook is partially revised to address recommendations from RD Finance Office's

INSERT

Chapter 4 dated 02-04-05:
[Pages 4-9 & 4-10 and 29 & 30 revised 12-08-22.](#)

**INSERT RD HB-3-3560
(WSAL)**

Internal Compliance Division. These MFH Project Servicing Handbook revisions will clarify applicant eligibility citizenship and qualified alien status requirements for MFH project ownership transfers.

MFH PROJECT SERVICING HANDBOOK. This Handbook is partially revised to address recommendations from RD Finance Office's

REMOVE

Chapter 7 dated 02-04-05:
Pages 7-49 thru 7-52,
7-69 & 7-70,
Attachment 7-B-1: Pages 11 &12,
Attachment 7-D.

INSERT

Chapter 7 dated 02-04-05:
[Pages 7-49 thru 7-52, 7-69 & 7-70 revised, Attachment 7-B-1: Pages 11 &12 revised, Attachment 7-D revised 12-08-22.](#)

SPECIAL PROCEDURE NOTICE RELEASED:

[SPECIAL PN dated 11-29-22](#). DISTRIBUTION: WSAL.
(RD Handbook HB-1-3555).

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