

RD AN No. 4637 (1980-D)
March 20, 2012

TO: State Directors
Rural Development

ATTN: Rural Housing Program Directors,
Guaranteed Loan Specialists,
Area Directors, and Area Specialists

FROM: Tammy Treviño (Signed by Tammye Treviño)
Administrator
Housing and Community Facilities Programs

SUBJECT: Single Family Housing Guaranteed Loan Program
Increasing/Decreasing Loan Amount
Current and Prior Fiscal Years by Type of Assistance
Code

PURPOSE/INTENDED OUTCOME:

This Administrative Notice (AN) provides updated guidance to Agency field staff on increasing, or decreasing, the amount of obligation for a Single Family Housing Guaranteed Loan Program (SFHGLP) loan for the various types of assistance codes, including a loan obligated with prior fiscal year (FY) funds.

COMPARISON WITH PREVIOUS AN:

This AN revises and replaces RD AN No. 4569 (1980-D), dated March 15, 2011, which was scheduled to expire on April 30, 2012.

EXPIRATION DATE:
March 31, 2013

FILING INSTRUCTIONS:
Preceding RD Instruction 1980-D

BACKGROUND:

With the implementation of new type of assistance codes (TOA) in FY 2012 (codes 650 (purchase) and 651 (refinance)) which associate loans with annual fees due, the procedure for requesting a restoration of funds of prior FY 2011 funds under TOA codes 637 and 638 has been amended. **The previous threshold of a \$500 restriction on increasing loan amounts once a Conditional Commitment has been issued by Rural Development is hereby revoked.** With on-line real time obligation and de-obligation of guaranteed loans, the necessity to retain the threshold no longer exists. Additionally, the loan guarantee issued, granted with TOA 650 or 651 must match that of the lender's promissory note. Lenders must ensure the loan closed does not exceed the amount of Conditional Commitment granted.

IMPLEMENTATION RESPONSIBILITIES:

A guide, providing detailed steps the state must take to restore funds from a previous year, perform a partial or full de-obligation or increase an obligation is provided in the Agency's SharePoint website in the Guaranteed Program Information tab under SFHGLP Guides folder. Included in the guidance is a form required to be utilized by the Agency, when requesting a restoration of funds from a previous fiscal year and an up-to-date list of Account Technicians from the Deputy Chief Financial Officer (DCFO) that assist the states with Guaranteed Loan System (GLS) issues.

If you have questions regarding prior fiscal year obligations, contact the Guaranteed Loan Branch at (314) 457-4192, or your DCFO accounting technician assigned to your state.

Questions pertaining to this AN can be directed to Debbie Terrell at (918) 534-3254, (debra.terrell@wdc.usda.gov); or Dean Daetwyler at (202) 690-0514, (dean.daetwyler@wdc.usda.gov), of the Single Family Housing Guaranteed Loan Division or the Guaranteed Loan Branch in St. Louis at (314) 457-4192.