

APPENDIX 4

HANDBOOK LETTERS REFERENCED IN THIS HANDBOOK

Handbook Letter 301 (3560), Servicing Letter #1

Handbook Letter 302 (3560), Servicing Letter #2

Handbook Letter 303 (3560), Servicing Letter #3

REFERENCE: HB-3-3560 Chapter 9

PURPOSE: Servicing Letter #1

ROUTINE NOTICE OF SERVICING RESULTS/CONCERNS

[insert date]

Dear [insert name of borrower]:

We are writing to inform you of the results of a recent review of certain selected aspects of your operations. A copy of the results of our review is attached [*Attach copy of supervisory visit report, physical inspection report, compliance review, reserve records, notice of payment due, etc.*].

Please review the attached material and note the areas of concern listed. [*if necessary, insert “We want to especially bring to your attention the following items:”*]

We are asking that you contact this office within 15 days of the date of this letter to inform us of the corrective actions you have taken, or plan to take, to correct the concerns listed. Our office address and telephone number are: [*insert address and telephone number*]

Sincerely,

[Signature and title of Official]

Attachment

Handbook Letter 302 (3560)

REFERENCE: HB-3-3560 Chapter 9

PURPOSE: Servicing Letter #2

NOTIFICATION OF SERIOUS SERVICING CONCERNS

[insert date]

Dear [insert name of borrower]:

We are writing to inform you that certain aspects of your project operations are of serious concern to the Agency.

A brief description of the items of concern which warrant attention is [insert either: “provided below:” or “attached.”]

We would like to arrange a meeting to discuss these concerns. [insert either: “Please contact our office to confirm if you can make the tentatively scheduled meeting at the following time, date, and location:” or “Please contact our office within 15 days of the date of this letter to make the necessary arrangements”]. Our address and telephone number are [insert address and telephone number].

Please be prepared to discuss the matters of concern identified. [insert: “In particular, you may want to bring the following information to the meeting:”]

We look forward to hearing from you.

Sincerely,

[Signature and title of Official]

Attachment

REFERENCE: HB-3-3560 Chapter 9

PURPOSE: Servicing Letter #3

NOTIFICATION OF INTENT TO PURSUE MORE FORCEFUL
SERVICING ACTIONS

[insert date]

Dear [insert name of borrower]:

We regret that earlier attempts to resolve [state the problems] have not been successful. We are writing to inform you that Rural Development intends to take further action unless alternative arrangements are promptly made with this office. If you have not contacted us within 15 days, we intend to pursue the [insert either: "following actions:" or "attached actions."]

[List actions, e.g., Forward a problem case report to the State Director, recommend an investigation by the Office of the Inspector General, demand a change in project management, place a recoverable cost charge on the account, forward a recommendation to the State Director to issue a Notice of Acceleration, etc.]

We are hopeful we can avoid the necessity of taking the steps outlined above. Unfortunately, we will be forced to do so unless we hear from you within 15 days from the date of this letter.

Please contact our office immediately if you wish to avoid the actions described above.

Sincerely,

[Signature and title of Official]

Attachment
