

USDA
Form RD 1944-53
(Rev. 5-98)

MULTI-FAMILY HOUSING
CANCELLATION OF U.S. TREASURY CHECK AND/OR OBLIGATION

INSTRUCTIONS - TYPE IN CAPITALIZED ELITE TYPE OR PRINT IN SPACES MARKED

| | | | | | |
|--|--|----------------|------------------------------------|--------------------------|--|
| 1. Case No. ST CD Borrower ID | | 2. Project No. | 3. Type of Assistance M F H | 4. Fund Code | 5. Loan No. |
| 6a. Borrower Name | | | b. Project Name | | |
| 7. Amount to Be Cancelled | | | 8. Treasury Check Date | 9. Treasury Check No. | |
| 10. Cancellation Action Code (Complete One Block Only - See FMI) | | | 11. Document ID | 12. SF 215 No. (FO Only) | |
| <input type="checkbox"/> a. Loan or Grant Check and/or Obligation (Insured Type) 1 = Cancel Advance Only - Advance will be reordered 2 = Cancel Obligation and Advance - Equal Amounts (Advance will not be reordered) 3 = Cancel Obligation Only | | | 13. Deposit Date | 14. Deposit Location | |
| <input type="checkbox"/> b. Loan Cost Check 1 = Taxes 2 = Insurance 3 = Advertising 4 = Other (Specify) _____ | | | 15. Loan Cost Check | | |
| <input type="checkbox"/> c. Other 1 = Rental Assistance Disbursements 2 = Credit Report Fees 3 = Inspector Fees 4 = Appraisal Fees | | | a. Vendor Name | | |
| | | | b. Control Number | | |
| | | | 16. Rental Assistance | | |
| | | | a. Date of RA Credit | | b. Total Amount of RA Disbursement Cancelled |
| | | | 0 1 _____ | | |
| 17. Remarks | | | | | |
| 18. Signature of Agency Representative | | | 19. Title | | 20. Date |

Position 2

ORIGINAL FO

(see reverse)

-2- (Forms Manual Insert - Form RD 1944-53)

PROCEDURE FOR PREPARATION : RD Instructions 1902-A, 1944-D, 1944-E, 1930-C and 1951-B.

PREPARED BY : Initiated by applicable Field Office.

NUMBER OF COPIES : Original and three.

SIGNATURES REQUIRED : Original signed by the approving official.

DISTRIBUTION OF COPIES : Treasury check cancellations—Check cancellation only (loan and grant, rental assistance, loan cost, etc.) or check and obligation cancellation for equal amounts (loan and grant):
For offices using the Concentration Banking System (CBS) complete Daily Activity Report. Original to Finance Office with copy retained in Field Office. The check will be deposited in the Concentration Banking System/Treasury Limited Account.
For offices not using CBS: original to wholesale lockbox with check attached (see manual Instructions, paragraph C for endorsement information). Copy to State Office for information purposes. Copy retained in Field Office.

Insured loan obligation cancellation:
Original to State Office. Copy retained in Field Office.

Additional copies:
If closing instructions where issued, copy to Designated Attorney, Regional Attorney or Title Insurance Company Representative.

GENERAL INSTRUCTIONS

- A. This form is used to cancel loan and grant obligations, related U.S. Treasury checks and/or personal checks in lieu of Treasury checks for:
1. Loans or Grants
 - a. Check only
 - b. Check and obligation - equal amounts
 - c. Check and obligation - unequal amounts
 - d. Obligation only
 2. Loan cost checks
 3. Rental assistance disbursements and refunds
- B. This form is not used to cancel:
1. Administrative cost checks
 2. RA Obligations
- C. If a U.S. Treasury check is being cancelled, those offices using CBS should deposit the check and send the original Form RD 1944-53 to the Finance Office with the Daily Activity Report. For offices not using CBS, send the original Form RD 1944-53 with check attached to the wholesale lockbox in the collections package with the "OTHER" accounting documents. Enclose the check as follows:

FOR DEPOSIT ONLY TO THE
ACCOUNT OF
RURAL HOUSING SERVICE
RURAL DEVELOPMENT
U.S. DEPARTMENT OF AGRICULTURE

- D. When the amount of the obligation differs from the amount of the check to be canceled, prepare separate Forms RD 1944-53 to accomplish obligation cancellation only and check cancellation only. The Form RD 1944-53 for the check cancellation and the Form RD 1944-53 for the obligation cancellation will be submitted to the Finance Office or wholesale lockbox attached together.
- E. Separate Form RD 1944-53 must be prepared for obligation cancellations for combination loans and grants.
- F. If an obligation to be cancelled is for a multiple family housing loan, an amended Form RD 1944-51, Multi-Family Housing Obligation - Fund Analysis, Part II A., Project Cost and Characteristics Set, must be prepared and submitted to the Finance Office attached to the Form RD 1944-53. The total amount of funds shown as being paid by assistance on the amended Form RD 1944-51, Part II must equal the amount of the additional obligation less the amount of the obligation cancellation. If the amount of the obligation cancellation is equal to the amount of the original obligation, do not submit an amended Form RD 1944-51, Part II.
- G. If deobligating RA funds, use Form RD 1944-51, Part III.

8. Enter the Treasury check date of the advance being cancelled. Complete this item only if a Treasury check is being cancelled.

Example:

9. Enter the Treasury check number which appears on the face of the check. Complete this item only when cancelling a Treasury check.

Example:

10. Complete only one block - a, b, or c.

- a. LOAN OR GRANT CHECK AND/OR OBLIGATION (Insured Type): Enter the applicable code:

- 1 = Cancel Advance Only - Advance Will be Reordered.
- 2 = Cancel Obligation and Advance - Equal Amounts.
- 3 = Cancel Obligation Only.

When code 1 is entered, the Finance Office will cancel the advance equal to amount shown in item 7. The cancellation amount and any other undisbursed balance for the related obligation will remain available for requesting future advance(s).

When code 2 is entered, the Finance Office will cancel the advance equal to the amount in Item 7 and reduce obligated funds by the same amount. The cancelled funds will not be available for future advances. The only time code 2 should be entered is when the obligation and the advance cancellations are for equal amounts.

When code 3 is entered the Finance Office will reduce obligated funds by the amount shown in item 7. The funds will not be available for future advances.

Example:

NOTE: When an obligation and a check must be cancelled and the amounts are different, then separate Forms RD 1944-53 must be prepared to (1) cancel the advance only and (2) to cancel the obligation only. The two forms will be submitted to the Finance Office or wholesale lockbox attached together.

- b. LOAN COST CHECK: Enter the applicable code for which the funds were originally requested (do not use for administrative cost checks). Also complete item 15:

- 1 = Taxes
- 2 = Insurance
- 3 = Advertising
- 4 = Other (specify): (Enter purpose/reason for check request - i.e., legal fees, real estate commissions, caretaker fees, repairs, etc.)

Example:

- c. OTHER: Enter the applicable code:

- 1 = Rental Assistance Disbursement
- 2 = Credit Report Fees
- 3 = Inspector Fees
- 4 = Appraisal Fee (Reserved for future use)

Enter code 1 if a rental assistance disbursement (a rental assistance check and/or credit) is being cancelled and complete item 16b).

Example:

-6- (Forms Manual Insert - Form RD 1944-53)

11-14. Finance Office use only.

15. Complete this item if a loan cost check is being cancelled and a code was entered in item 10b

a. Enter the vendor's name. Abbreviate when necessary.

Example:

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|--|---|---|---|---|--|---|---|---|--|--|--|--|
| S | T | A | T | E | | F | A | R | M | | I | N | S | | | | |
|---|---|---|---|---|--|---|---|---|---|--|---|---|---|--|--|--|--|

b. Enter the control number. The control number will be found on the face of the check.

Example:

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 1 |
|---|---|---|---|---|---|---|---|---|---|

16. Complete this item when rental assistance checks and/or rental assistance credits are being cancelled and a code 1 was entered in item 10c.

a. Enter the month and year from which the RA disbursement will be cancelled.

Example:

| | | | | | |
|---|---|---|---|---|---|
| 0 | 5 | 0 | 1 | 8 | 3 |
|---|---|---|---|---|---|

b. Enter the total amount of rental assistance disbursement to be cancelled (refunded). The total amount of rental assistance disbursement to be cancelled (refunded) is equal to the total of the amount of the original rental assistance check (rental assistance due the borrower) shown in item 7 and/or the amount of rental assistance credit applied to the loan. (See RD Instruction 1930-C). Reversed rental assistance disbursements will be restored to newest RA agreements.

17. Enter the reason for cancellation action taken.

For cancellation of a Treasury check and obligation of funds for unequal amounts, provide the following description on both sets of Forms RD 1944-53 submitted to the Finance Office or wholesale lockbox:

Example: Obligation cancellation for \$5,000.00
Check cancellation for \$3,000.00

For cancellation of RA disbursements where the cancellation of loan credits are involved (when item 16b is greater than item 7) provide the following sample description on both sets of Forms RD 1944-53 submitted to the Finance Office or wholesale lockbox:

| | |
|--|------------|
| RA requested on Form RD 1944-9 | \$5,000.00 |
| RA due the borrower on Form RD 1944-9 | \$1,500.00 |
| RA disbursement being cancelled (item 16b) | \$2,000.00 |
| RA check cancellation (item 7) | \$1,500.00 |

18-20. Self-explanatory.