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## FOREWORD

This handbook provides instructions for the guidance of both HUD field office staff and mortgagees, and is designed for utilization by them each time an increase or decrease in the maximum FHA interest rate is announced. With the exception of a slight change in Paragraphs 3-5 and 4-6, regarding reopening of expired commitments, this handbook, applicable to both home and multifamily mortgage and loan insurance programs, does not modify procedures previously employed whenever interest rate changes occurred. Rather, it is intended to serve as a single permanent reference, thereby making it possible to eliminate the former practice of transmitting lengthy and complex individual Mortgagee Letters and Notices to all mortgagees and HUD field offices, respectively, each time a change in the maximum interest rate was approved.

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