

SFH Origination Updates From the National Office in Washington DC

Single Family Housing Guaranteed Loan Program

October 20, 2011

FISCAL YEAR 2012 FUNDS AVAILABLE UNDER CONTINUING RESOLUTION!

Fiscal Year (FY) 2012 funds have been made available for purchase and refinance type loans for the Single Family Guaranteed Loan Program under a Continuing Resolution (CR) which expires on November 18, 2011. However, refinance funds are very limited and are **not** sufficient to fund all refinance request that are currently on hand at this time

Rural Development FY 2012 fee structure:

- 2 percent up-front fee for purchase transactions;
- 1 percent up-front fee for refinance transactions; and
- 0.3 percent annual fee for **both** purchase and refinance transactions.

Rural Development FY 2012 Processing Priority:

- Loans where a Conditional Commitment was issued "Subject to Commitment Authority," will be processed first. Lenders must submit the closing package and appropriate up-front guarantee fee to Rural Development as soon as possible. Upon confirmation that all conditions of the Conditional Commitment have been met, and the appropriate up-front guarantee fee received, Rural Development will issue Form RD 1980-17, "Loan Note Guarantee," to the Lender. An annual fee amortization table will be attached to the Loan Note Guarantee informing the lender of the annual fee amount that will be due to Rural Development 12 months from the date of settlement.
- After the backlog of "Subject to Commitment Authority" Conditional Commitments has been processed and Loan Note Guarantees issued, new Conditional Commitment requests will be processed in date order received.

At this time we can only provide funding information through the expiration of the current CR (November 18, 2011), however, we will advise of any changes in funding as soon as they become available.

Questions regarding this notice may be directed to the Single Family Housing Guaranteed Loan Division, at 202-720-1452.