TIB-The Independent BankersBank

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USDA Refinance Registrations Suspended Until Further Notice

August 21, 2012

Effective for all new registrations on and after August 21, 2012

TIB Mortgage Correspondent Lending will suspend registrations of USDA Refinances until further notice ***effective for all new registrations on and after August 21, 2012***. This decision was made for a number of reasons which include:

- The announcement by USDA that **refinance funding would be exhausted** on August 20, 2012.
- USDA will **not** issue Conditional Commitments "subject to funding" as they have in the past.
- The new fiscal year beginning October 1, 2012 does not guarantee funding availability for refinances.
- USDA has announced their offices are behind in loan reviews.
- USDA loans currently registered/locked with TIB Correspondent Lending and not receiving Conditional Commitments prior to October 1, 2012 will be subject to higher upfront Guarantee and Annual fees.
- Refinance volumes are relatively low compared to the USDA purchase volumes.

NOTE:

TIB Mortgage Correspondent Lending requires all loan files delivered to be in fundable condition.

Correspondents are expected to comply with the USDA/Guaranteed Rural Housing Program requirements. It is the responsibility of the Correspondent for the proper disclosure of all guarantee fees (upfront, annual or monthly) as part of the TILA APR and Finance Charge. TILA accuracy is a critical issue as errors may prevent passing the guarantee cost on to the borrower.

Correspondents are encouraged to contact their state and local USDA/Rural Development offices for additional information.

TIB Mortgage Correspondent Lending will send out further communications regarding USDA refinance transactions when additional information becomes available.

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Questions regarding this notice may be directed to your account executive:

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Thank you for your business.