




United States Department of Agriculture  
Rural Development

OCT 14 2010

TO: Participating Lenders

FROM: Tammy Treviño   
Administrator  
Housing and Community Facilities Programs

SUBJECT: Single Family Housing Guaranteed Loan Program  
**Funding Notice – Refinance**

This notice is to authorize issuance of a Conditional Commitment for the Single Family Housing Guaranteed Loan Program (SFHGLP) refinance transactions under the Fiscal Year (2011) Continuing Resolution (CR). **The guarantee fee will be 1 percent** until further notice. The guidance in this notice applies to all unobligated and new refinance requests.

The following steps will apply:

1. Rural Development will continue to accept completed SFHGLP applications for refinance transactions from lenders.
2. Rural Development will process, approve, and issue Conditional Commitments for those applications that are eligible "*subject to the availability of Congressionally appropriated funds.*"
3. Lenders may close these loans as scheduled.
4. When funds become available, Rural Development will "Obligate" funds for loans that were issued a Conditional Commitment subject to the availability of Congressionally appropriated funds for refinance transactions.
5. Once the loans are obligated, Rural Development will process lenders' Loan Note Guarantee requests as soon as the loans are verified as being closed and all conditions of the Conditional Commitments have been satisfied.

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Web: <http://www.rurdev.usda.gov>

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1400 Independence Avenue, S.W., Washington, DC 20250-9410 or call (800) 795-3272 (Voice) or (202) 720-6382 (TDD).

6. The lender assumes all loss default risk for the loan until Rural Development is able to fund it and issue the Loan Note Guarantee.

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