

TOWNE MORTGAGE COMPANY

BULLETIN

TO: Our Valued Clients

DATE: September 2, 2016

SUBJECT: Rural Housing (RD) Decrease in Fees

BULLETIN: 16-16

***** IMPORTANT NOTICE *****

We are pleased to announce that USDA is decreasing its upfront guaranty fee to 1.00% and the annual fee to .35% for all loans obligated **on or after October 1, 2016**. A loan is obligated when USDA has approved the loan file AND issued the Conditional Commitment form (RD 3555-18).

Effective September 16th, the 1% upfront and .35% monthly should be disclosed on the LE (Loan Estimate).

Please remember, any loan with a RD commitment issued **BEFORE** October 1, 2016 must close with the current upfront fee of 2.75% and monthly of .50.

Contact your Account Executive with any questions.

Thank you,
Operations Group
Towne Mortgage Company