



Date: December 7, 2011

From: Underwriting

Subject: USDA Refinance information

As of today we are once again able to offer USDA refinance loans.

EFFECTIVE with all USDA Conditional Commitments issue on or after Wednesday, December 7, 2011:

The upfront guarantee fee for all refinance transactions will increase from 1% to 1.50%.

The upfront guarantee fee for USDA purchase transactions is not affected by this change and remains at 2.0%.

All Guaranteed Rural Housing loans, including refinances, will continue to include a 0.3% annual fee.

The new fee structure for FY12 is as follows:

- 2 percent upfront guarantee fee for purchase transactions;
- 1.5 percent upfront guarantee fee for refinance transactions;
- 0.3 percent annual fee for both purchase and refinance transactions