



ANNOUNCEMENT#10-10, March 19, 2010

To: All Michigan Mutual Brokers

Re: Funding for the USDA Guaranteed Rural Development Program

The USDA Guaranteed Rural Housing program has experienced unprecedented demand over the last several years. On March 10th the USDA Rural Housing Guaranteed Loan Program announced that the program will be depleted of funds by the end of April. Once funding is exhausted, Conditional Commitments (RD Form 1980-18) will not be issued by RDA.

MMI will continue to accept submissions, underwrite, and close RDA loans as long as the Conditional Commitment (RD Form 1980-18) can be obtained. The projected lack of funds will impact loans that are in process and have not received the conditional commitment from USDA.

Once the program has been depleted of funds and the conditional commitment cannot be obtained from RDA we will no longer issue a "Clear to Close" on RDA loans.

Please be aware if a conditional commitment cannot be obtained, MMI will not close the loan even in the event that MMI issued an approval and/or the loan has been locked. Rate locks on USDA loans will be subject to our standard rate lock extension and/or re-lock policy.

Effective immediately MMI will no longer accept loan submissions on the RDA program without a property. All loan submissions must contain a valid purchase agreement to be underwritten.

Please contact your account executive if you have any questions.

We appreciate and value your business!