




MEMORANDUM

VIA E-MAIL

TO: Participating Lenders

FROM: Kay Bowe 
Underwriting Manager

DATE: January 3, 2019

SUBJECT: Impact of Federal Government Shutdown

In response to the recent partial government shutdown, we wanted to clarify our position on the approval and purchase of loans in which the applicant is employed by the federal government or other individuals whose employment is directly impacted by the shutdown. If you are unable to obtain a required written or verbal verification on the applicant, or if the verification, whether verbal or written, indicates that the applicant is temporarily furloughed, the loan is not eligible for purchase by the Fund. Applicants who are affected by the shutdown must be back to work, and satisfactory documentation must be obtained to prove their return to work, prior to closing. Regrettably, we cannot offer other options.

In a recent Lender Letter dated December 26, 2018, Fannie Mae gives guidance on other issues, including the use of the DU validation service regarding employment and income for repayment ability, IRS transcripts and flood insurance. For lenders who provide tax transcripts in lieu of the 4506T, these will still be required prior to final approval or purchase of the loan.

Please contact us if you have any questions. We look forward to your continued partnership in the upcoming year.