



Important Announcement

9/23/2020

This announcement includes notices regarding updates for Flanagan State Bank's Retail & TPO Division

This will reference:

Adverse Market Refinance Adjustment
USDA Conditional Commitments – Fiscal Year End

Adverse Market Refinance Adjustment

Due to the implementation of the conventional refinance Adverse Market Fee that will be in effect on December 1, 2020 for all Conventional Refinance Loans*, FSB will be using the following parameters for locks:

- The Adverse Market Refinance Fee of 50 bps will be assessed to ALL applicable loans starting 9/23/2020.
- The Adverse Market Refinance Fee WILL be refunded for any lock on or after 9/23/2020 IF the loan is closed and funded (delivered & purchased for Correspondent Customers) before 11/16/2020
- Any lock extensions, Relocks or Current/Existing locks that DO NOT close and fund before 11/16/2020 will be subject to the Adverse Market Refinance Fee. This will apply to any loan that had not been previously assess the fee.

*Applicable loans include: all conventional refinance loans except HomeReady, Home Possible and loans with balances of less than \$125,000.

USDA Conditional Commitments – Fiscal Year End

Flanagan State Bank is pleased to advise that USDA's announcement of a temporary lapse in funding for the Guaranteed Housing Program ***will not*** affect our underwriting or funding of this loan program. We will continue to underwrite and close these loans per USDA's most recent notice of the continuation of Conditional Commitments subject to the availability of commitment authority.

If you have any questions regarding this information, please feel free to contact mtgsupportcenter@flanaganstatedbank.com.

Sincerely,

Flanagan State Bank Mortgage Division Management

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