**MFM Bulletin: 024-2025**

**Date:** October 1, 2025

**Subject:** Guidance on Government Shut Down

Congressional appropriations expired at midnight on Tuesday, September 30, 2025, and a partial shutdown of government services deemed non-essential has been implemented. The following guidance is being provided to assist borrowers who will be impacted.

**Flood Insurance**
During the shutdown insurance agents may still submit applications on the borrower's behalf for NFIP coverage. FEMA simply won't process the application or bind coverage until the shutdown ends and funding is restored.

MFM will continue to close mortgages secured by property in a SFHA during the government shut down, provided the borrower has applied for NFIP flood insurance and issuance is pending. The borrower may also choose to bind coverage with a private flood carrier, but this is not required; it is permissible for the borrower to supply evidence of pending coverage through the NFIP.

**One of the following is required to evidence coverage has been applied for and is pending:**

- A completed and executed NFIP Flood Insurance Application plus a copy of the agent's paid receipt,
- A completed and executed NFIP Flood Insurance Application plus the final Settlement/Closing Disclosure Statement reflecting the flood insurance premium collected at closing, or;
- A completed and executed NFIP General Change Endorsement Form showing the assignment of the current flood insurance policy by the property seller to the Borrower.
- Note, once the NFIP's authority has been reinstated and the coverage is bound, MFM will follow up and obtain the Flood insurance policy.

**Tax Transcripts:**
Our 4506-c vendor Data Verify is waiting for a response from IRS as to whether transcripts will be available. We will advise as soon as we have the information.

**Social Security Number Validations:**
The Social Security Administration's site does not mention social security number verifications. *In the past the SSA has not processed requests for verification of social security numbers during a government shutdown.*

MFM will not close loans if:

- The FHA case number has a warning that SSN # has not been validated
- There is a Data Verify or DU or LPA alert that requires SSN validation

**USDA Conditional Commitments:**
If USDA adopts a similar plan to their 2021 contingency plan, they will not issue Mortgage Loan Note Guarantees during government shutdowns.

MFM will continue to close USDA loans when the Condition Commitment says *"subject to availability of commitment authority"*

**FHA/VA/USDA Systems:**
All systems should be available during the shutdown.

Please contact the MFM Underwriting Dept. (underwriting@memberfirstmortgage.com) if you have any concerns pertaining to guidelines and/or eligibility.

Thank you!