## What Impact Will Government Shutdown Have on Real Estate Closings?

Last Friday HUD said it would stop working on FHA applications, but over the weekend it reversed

itself and said that a skeleton staff of workers would continue to process all applications for government-backed mortgages.

How much slower the process will be with a reduced staff was not indicated.

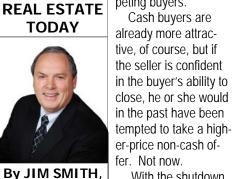
The biggest effect at this early stage of the shutdown will be that the

IRS will not be able to supply transcripts of tax returns, which are required by underwriters to verify that borrowers have supplied accurate copies during the mortgage application process. For transactions already approaching closing, transcripts were most likely obtained before Tuesday's shutdown.

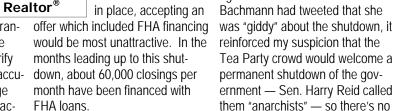
If the shutdown continues for longer than the three weeks which the last shutdown took, then we could see some serious impacts

on transactions, and buyers who can pay cash will have a greater than usual advantage over com-

peting buyers.



With the shutdown in place, accepting an



The information I'm getting says that those loans backed by Fannie Mae and Freddie Mac will be unaffected by the shutdown because those government-sponsored entities (GSE's) are financed not by the federal government but by fees tending the debt limit.

paid by the lenders who are issuing those loans.

I'm reading that rural development loans guaranteed by the US Department of Agriculture will not be able to proceed during the shutdown, but that shouldn't affect many metro-area readers of this column.

Unfortunately, we can't be very hopeful that the stalemate in Washington will end. This situation is so much more ideologically poisoned than was the case 17 years ago. When I read that Michele Bachmann had tweeted that she reinforced my suspicion that the Tea Party crowd would welcome a permanent shutdown of the government — Sen. Harry Reid called them "anarchists" — so there's no reason to compromise. As

long as their districts remain "safe" for them, they'll just hold out. And they probably won't care about ex-

## Golden Solar Tour Is This Saturday!

Golden's annual tour of solar and sustainable homes is always on the first Saturday in October.

It starts with a reception and "Hybrid & Electric Vehicle Roundup" on Friday evening 4 to 7 p.m. at the American Mountaineering Center. The vehicles are outside on the street, and the reception is in the conference center at the rear of the building.

On Saturday is the tour of 14 homes, mostly in or near Golden, which demonstrate various kinds of os of last year's homes (including solar and sustainable practices or installations.

Register at the American Moun-

taineering Museum, corner of 10th Street and Washington Avenue, receive the map, and take the selfguided tour. Visit each "green" home and talk with the homeowners and volunteers about the green features of each home.

Registration is only \$5 to take the self-quided tour.

I have taken it upon myself to shoot and edit video tours of each of the 14 homes on the tour. You can see those videos and the videmy own) at www.YouTube.com/ GoldenSolarTour/.

Enjoy... and learn!



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