



Seller Guide Update



SEL-2022-010: Agency Underwriting Guideline Changes

February 25, 2022

- Correspondent Lending
- Housing Finance Agency (HFA)

Table of Contents

The following topics are included in this update:

Agency Underwriting Guideline Changes.....	2
Questions	2

Summary



The following items have recently been updated in the U.S. Bank Correspondent Seller and HFA Division Lending Guides, specific to Loan Delivery, Underwriting and Credit Policy.

U.S. Bank Correspondent Seller and HFA Division Lending Guides

Unless notated within each section as Correspondent only policy or based on product availability such as Portfolio products available only in Correspondent, these updates are applicable to both our Correspondent and HFA lenders. The respective sections of the U.S. Bank Correspondent Seller and HFA Division Lending Guides are included in each section. This communication serves to announce changes and updates including an effective date. Always review the U.S. Bank Correspondent Seller and HFA Division Lending Guides for the most current policy. Guidelines are updated with the information in this communication and should be referred to instead of the communication for guidance.

Underwriting, Delivery, and Product Grids

For overall ease of use, we have enhanced our communications to now include underwriting and delivery method checkboxes to each section when applicable. You'll also find a new grid that outlines the applicable products.

Effective Date

Immediately unless otherwise noted within each section below.

Keeping you informed

U.S. Bank continues to closely monitor the ever-changing landscape of our business as a result of the impacts of the coronavirus (COVID-19).

For information about our ongoing work to support our lending partners and customers, we invite you to visit our Correspondent/HFA COVID-19 Resource Page within AllRegs for regular updates and the most current information. We know you have many questions, and we are diligently working to address each of them. We have developed a list of [COVID-19 Frequently Asked Questions](#) and will continue to update this document on a regular basis to keep you informed of process and policy updates.

For additional information about our ongoing work to support customers, we invite you to visit [U.S. Bank's COVID-19 support site](#) for regular updates and the most current information.



Agency Underwriting Guideline Changes

Underwriting/Delivery	
<input checked="" type="checkbox"/>	Corr. Delegated
<input checked="" type="checkbox"/>	Corr. Non-Delegated
<input checked="" type="checkbox"/>	Corr. EZD
<input checked="" type="checkbox"/>	Corr. Mandatory
<input checked="" type="checkbox"/>	HFA Delegated
<input checked="" type="checkbox"/>	HFA Non-Delegated
Products	
<input checked="" type="checkbox"/>	Conv. (Freddie)
<input checked="" type="checkbox"/>	Conv. (Fannie)
<input type="checkbox"/>	Conv. (Portfolio)
<input type="checkbox"/>	FHA
<input type="checkbox"/>	VA
<input type="checkbox"/>	Rural Development

Effective immediately

U.S. Bank is announcing the recent updates to Agency Underwriting Guidelines impacting the following:

- Home Equity Line of Credit (HELOC) as an eligible reserve asset
- Asset documentation flexibility for certain refinances

Home Equity Line of Credit (HELOC) as an eligible asset

For all Agency loans, U.S. Bank will now allow a HELOC to be considered an eligible source of funds towards the Down Payment, Closing Costs and Reserves. The Mortgage file must include evidence that the HELOC is secured by the Borrower's real property (cannot be collateralized against the subject property) and that the HELOC proceeds have been disbursed and deposited to the Borrower's account prior to closing.

HELOC payments must be included in the total DTI ratio based on the new outstanding balance on the HELOC account.

Asset Documentation

Fannie Mae has updated their documentation requirements to match Freddie Mac for the verification of assets for certain refinance transaction underwritten in DU.

For loans underwritten by U.S. Bank, we will require all assets to be documented and verified regardless of the dollar amount.

Guide Update: 713.8 Agency – Funds for Closing and Overlay Matrix

Questions



Correspondent: Please contact your Account Executive or the Client Support Area at 800.200.5881, option 1.

HFA: Please contact the Housing Finance Agency Hotline at 800.562.5165, option 1 for the HFA Customer Care Team.