



Seller Guide Update



SEL-2022-030: VA Overlay Removal – Seller Concessions

June 22, 2022

- Correspondent Lending
- Housing Finance Agency (HFA)

Summary

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

Effective Date: Effective with Correspondent locks and/or relocks and HFA Reservations on and after June 22, 2022.

U.S. Bank VA Overlay Removal – Seller Concessions

U.S. Bank is now allowing the seller concessions to include gifts and payoff of credit balances or judgements on behalf of the buyer. Seller concessions do not include payment of buyers' closing costs, or normal discount points. Any seller concessions exceeding four percent of the appraised value is considered excessive and unacceptable by VA.

Secondary Financing will now be available for purchase transactions if the financing meets all VA requirements as per the VA Lenders Handbook.

Guide Updates:

- 1400.02 – Correspondent Delegated Government Overlays
- 1400.03 – Correspondent Non-Delegated Government Overlays
- 1400.04 – HFA Non-Delegated Government Overlays
- VA Fixed and ARM (2001 2002 2009 2024) – product guidelines will be updated on June 23, 2022.

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.

