



# Seller Guide Update



SEL-2022-050: Multiple Topics

September 2, 2022

- Correspondent Lending
- Housing Finance Agency (HFA)

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## 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.



## VA Appraisal Alternatives

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:** Immediately

In [VA Circular 26-22-13](#), VA announced new procedures for alternative appraisal methods. Exterior Only and Desktop Appraisals will be allowed in certain circumstances. VA approves, oversees appraisers, the appraisal process for VA loans and has provided the following process waterfall. Please see the attached Waterfall Exhibit from VA.

### Interior Appraisal

- Acceptable for all transactions

### Exterior Only and Desktop Appraisal

Allowed when all the following exist:

- Lender is approved as Lender Appraisal Processing Program (LAPP)
- Purchase price does not exceed current calendar year conforming loan limit
- Property is a single family 1 unit home. No manufactured, condo, leasehold or undergoing renovation
- One or both of the following:
  - Veteran is making down payment of 20% of the purchase price OR
  - More than 7-business days have elapsed since lender requested an appraisal and the case remains unassigned in the VA system.

### VA Procedures

Assigned Cases lenders may work the appraiser assigned to the case to utilize an Exterior Only or Desktop Appraisal. Unassigned Cases that have not been assigned more than 7-business days requires lenders to email VA at [cvvaluestream.vbaspt@va.gov](mailto:cvvaluestream.vbaspt@va.gov) with the subject line Waterfall ##-##-#-##### (insert VA loan number) and include the appraisal type requested. If an appraiser determines that a report can't be completed for a Desktop appraisal the appraiser can complete an Exterior Only. The appraiser can return the assignment within 2 business days if unable to perform. If an appraiser can't complete an Exterior Only Appraisal the appraiser may return the assignment to VA within 2 business days. If any case is returned to VA as unable to complete VA will notify the lender and work to locate a VA fee panel appraiser to complete.

### VA Circular 26-22-13 (Exhibit A) – Appraisal Assignment Waterfall (7/27/22)

Please refer to the linked [VA Appraisal Assignment Waterfall \(Exhibit A\)](#).

## Streamlined Correspondent Relations Email

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

**Effective Date:** October 1, 2022

To maximize efficiencies and make doing business with U.S. Bank simpler and faster, we are pleased to announce that we will soon consolidate two U.S. Bank Correspondent Relations shared email addresses into one, single-point of contact as follows:

Shared Email Eliminated	New Single-Point of Contact Email
<a href="mailto:Owensboroloanreview@usbank.com">Owensboroloanreview@usbank.com</a>	<a href="mailto:Correspondentloanreview@usbank.com">Correspondentloanreview@usbank.com</a>

### U.S. Bank Correspondent Relations

As a reminder, for loans submitted for purchase, lenders may utilize the **Correspondent Relations** single point of contact for questions regarding:

- Loan Status
- Funding
- Conditions
- Delivery and Funding requirements

## 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.