



# Seller Guide Update



SEL-2022-070: Multiple Topics

December 16, 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.



## 2023 Government Loan Limits

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

## 2023 FHA Loan Limits

In accordance with [HUD Mortgage Letter 2022-20](#), U.S. Bank will support the 2023 FHA loan limits **effective with case numbers assigned on and after January 1, 2023.**

### FHA Maximum Mortgage Limits 2023:

[https://www.hud.gov/program\\_offices/housing/sfh/lender/origination/mortgage\\_limits](https://www.hud.gov/program_offices/housing/sfh/lender/origination/mortgage_limits)

## 2023 VA Loan Limits

**Effective with loans closed on or after January 1, 2023**, U.S. Bank is aligning with FHFA's increase to the county loan limits for all non-IRRRL VA loans. VA does not have a maximum loan amount, but instead uses the county loan limit to determine the maximum potential entitlement available for veterans with used or compromised entitlements.

**VA Home Loan Limits:** <https://www.va.gov/housing-assistance/home-loans/loan-limits/>.

As a reminder, U.S. Bank requires that all VA loans conform to GNMA secondary market guidelines which include the minimum 25% coverage requirement.

### Important Notes:

- For Veterans with partial entitlement, transactions, with the new general loan limits, must close on or after January 1, 2023.
- The Veteran may use the VA Home Loan Guaranty benefit to acquire a property up to four units in size. VA's maximum guaranty amount, regardless of the number of units, is based on the one-unit (single-family residence) limit established by Federal Housing Finance Agency (FHFA).

Refer to product guidelines for maximum loan amounts.

## 2023 Ginnie Mae High Balance

In anticipation of Ginnie Mae's revision of their definition of High Balance loans to align with the 2023 conforming loan limits announced earlier this month by the Federal Housing Finance Agency (FHFA), U.S. Bank will update our FHA and VA product guidelines. FHA and VA loans exceeding the base conforming loan limits must be locked under a Jumbo product:

- For FHA, the maximum loan amount is \$1,000,000.
- For VA, the maximum loan amount is \$2,000,000.

### Product Guidelines

The following product guidelines will be updated with a targeted publication date of January 1, 2023:

- FHA 1001 30 Yr FIXED
- FHA 1002 15 Yr FIXED
- FHA 1004 Buydown
- FHA 1105 30 Yr FIXED Jumbo
- FHA 1024 5/1 ARM
- FHA 1025 5/1 ARM Jumbo
- 1020 203KS – 30 Yr
- VA 2001 30 Yr FIXED
- VA 2002 15 Yr FIXED
- VA 2009 30 Yr FIXED Jumbo
- VA 2024 5/1 ARM

### System Readiness

U.S. Bank systems will be updated to accept the new limits effective January 1, 2023.

## System Readiness: Conforming Loan Limits

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 type="checkbox"/>	Conv. (Portfolio)
<input type="checkbox"/>	FHA
<input type="checkbox"/>	VA
<input type="checkbox"/>	Rural Development

In **SEL-2022-067** published December 1<sup>st</sup>, we announced our alignment with the recent Agency announcement regarding the 2023 loan limits for conforming agency production.

### Lender Portal Updated

**Beginning Monday, December 19<sup>th</sup>**, we are pleased to announce that our Lender Portal system will be updated and available to use the new loan limits. Lenders will no longer need to utilize the Comments section to request a loan amount change via the Client Support/Rate Lock category.

Lenders are reminded of the following additional notes as previously shared. When utilizing the new 2023 loan limits, please note:

- The higher loan limits are available on Freddie Mac and Fannie Mae products only and must have an appropriate AUS approval.
- Loans currently locked as a Freddie Mac or Fannie Mae super conforming product will remain under that product. If a product change is requested, it will be subject to worse-case pricing per the standard product change procedures.
- Relocks of expired transactions will be worse-case pricing based on the product guidelines they fit at the time of relock.
- The U.S. Bank Portfolio Products minimum loan amounts will continue to be based on the 2022 loan limits until new initial registrations/locks as of January 1, 2023.

### Seller Guide Updates

Updates to the Correspondent Seller Guide including the Product Guidelines will be updated in AllRegs over the next couple of weeks with the new loan limits with an estimated completion date on or near January 1, 2023.

## VA Private Road and Shared Driveways

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

VA is announcing ongoing maintenance agreements from homeowners' association or a joint maintenance agreement from the owners of properties accessed by a private road or shared driveway is no longer required

### Private Road and Shared Driveways

Properties with private roads and shared driveways will continue to require a recorded permanent easement or recorded right-of-way from the property to a public road. Maintenance agreements are no longer required.

Staff Appraisal Reviewers (SAR) will no longer indicate item 5 on the Notice of Value. Item 16 will be marked as the easement or right-of-way is required.

## 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.