



# Seller Guide Update



SEL-2023-062: Multiple Topics

October 20, 2023

- 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 include underwriting and delivery method checkboxes to each section when applicable.

You'll also find a grid that outlines the applicable products.

## **Effective Date**

Immediately unless otherwise noted within each section below.



## USDA Guaranteed Rural Housing Funding Update

Underwriting/Delivery	
X	Corr. Delegated
	Corr. Non-Delegated
	Corr. EZD
X	Corr. Mandatory
X	HFA Delegated
	HFA Non-Delegated
Products	
	Conv. (Freddie)
	Conv. (Fannie)
	Conv. (Portfolio)
	FHA
	VA
X	Rural Development

## Compliance Updates

Underwriting/Delivery	
X	Corr. Delegated
X	Corr. Non-Delegated
X	Corr. EZD
X	Corr. Mandatory
X	HFA Delegated
X	HFA Non-Delegated
Products	
X	Conv. (Freddie)
X	Conv. (Fannie)
X	Conv. (Portfolio)
X	FHA
X	VA
X	Rural Development

## Questions

[USDA has announced](#) that effective October 17, 2023, Fiscal Year 2024 funding for Single-Family Guaranteed Housing Loans is now available.

### Temporary Lapse of Funding

As announced in **SEL-2023-056**, during the temporary lapse of funding, U.S. Bank **continued to purchase** USDA Rural Housing loans with Conditional Commitments “*subject to the availability of commitment authority*” for purchase and refinance transactions.

### Final Documents - Final Conditional Commitment and Loan Note Guaranty

As a reminder, for loans purchased during the temporary lapse of funding, lenders are required to provide U.S. Bank the **final Conditional Commitment (RD 3555-18/18E)** and the **Loan Note Guaranty** once they are received from USDA as post-closing documentation requirements.

As referenced in the **Correspondent Seller and HFA Lending Guides (900: Delivery and Funding > M. Final Documentation)**, lenders are required to provide original loan documents for each loan purchased by U.S. Bank within 90-days from date of purchase. Loans without a Conditional Commitment are not eligible for purchase.

### 400.19: Truth in Lending Act (TILA) and Regulation Z

We have made updates to the Section 400.19: Truth in Lending Act of the Correspondent Seller and HFA Lending Guides specific to HOEPA/High-Cost Thresholds for 2024 which are shown in **orange** in AllRegs.

**Guide Updates:** 400.19: Truth in Lending Act (TILA) and Regulation Z



**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.