



Seller Guide Update



SEL-2024-020: Multiple Topics

May 28, 2024

- Correspondent Lending
- Housing Finance Agency (HFA)

Table of Contents **The following topics are included in this update:**

Agency Restricted Stock Unit Changes	2
Correspondent Final Documents Address Change Coming Soon	2
Disaster Area Declarations	3
Questions	3

Summary



U.S. Bank Correspondent Seller and HFA Lending Guides

The items listed above have recently been updated in the Correspondent Seller and HFA Lending Guides, specific to Loan Delivery, Underwriting and Credit Policy.

- 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 Correspondent Seller and HFA 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 Lending Guides for the most current policy.
- Guidelines are updated with the information in this communication and should always be utilized as the source of truth.
- As a reminder, U.S. Bank publishes a monthly summary of all Correspondent and HFA communications published for the previous month. This summary is intended to assist you in making sure your organization received and read all U.S. Bank communications published during the prior month. All documents are published in our Correspondent and HFA Communications libraries in Section 1000 of AllRegs:
 - 1010: Bulletins
 - 1011: Seller Guide Updates
 - 1012: Best Practices
 - 1013: Pricing Flashes

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 grids that outline the applicable products.

Effective Date

Immediately unless otherwise noted within each section.



Agency Restricted Stock Unit Changes

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)
	Conv. (Portfolio)
	FHA
	VA
	Rural Development

Effective Date: Immediately

U.S. Bank is making the following changes to our Agency Restricted Stock Units policy to align with Freddie Mac and Fannie Mae.

Income Calculation: Income for Freddie Mac will be calculated as follows:

- For performance-based vesting provisions, multiply the 52-week average stock price as of the Application Received Date by the total number of vested shares distributed (pre-tax) to the Borrower in the past two years, then divide by 24.
- For time-based vesting provisions, multiply the 52-week average stock price as of the Application Received Date by the number of vested shares distributed (pre-tax) to the Borrower in the past year, then divide by 12.

For more information, refer to [5303.4: Employed income calculation guidance and requirements](#).

Income for Fannie Mae will be calculated as follows

- (200-Day Moving Average of share price X total number of distributed vested shares (pre-tax) in most recent 24-months)/24 months.

For more information, refer to [B3-3.1-09, Other Sources of Income](#).

Guide Updates: 713.7 Agency – Effective Income, Agency Overlay Matrices

Correspondent Final Documents Address Change Coming Soon

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

Beginning June 28, 2024, all **Correspondent Final Documents** should be delivered to the following address:

Current Address	New Address (beginning 6/28/24)
<p>U.S. Bank National Association Attn: Centralized Image Capture (CIC) CN-KY-HPSC 3151 Highland Pointe Drive Owensboro, KY 42303-7836</p>	<p>U.S. Bank National Association Attn: Centralized Image Capture (CIC) CN-KY-MSMI 800 Moreland Street Owensboro, KY 42301-2046</p>

Note: This change is for **Correspondent only** and does **not** impact HFA loans.

Guide Updates: U.S. Bank Correspondent Lending > 900: Delivery and Funding > M. Final Documentation

Disaster Area Declarations

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

The following counties have been declared as Presidential Disaster Areas with Individual Assistance.

- Agency, Portfolio, VA, and RD loans with subject properties located in counties listed below that have not CLOSED by the Disaster Declaration Date must follow the requirements listed in AllRegs.
- FHA loans with subject properties located in the counties listed below that have not been ENDORSED as of the Disaster Declaration Date must follow the FHA requirements listed in AllRegs.

Declaration Date	State	County
May 16, 2024	Iowa	Clarke, Harrison, Mills, Polk, Pottawattamie, Ringgold, Shelby, Union
May 16, 2024	Massachusetts	Bristol, Worcester
May 20, 2024	Texas	Harris, Liberty, Montgomery, Polk, San Jacinto, Trinity, Walker

Guide Section: 711.20 FHA – Natural Disaster Procedures, 712.21 VA - Natural Disaster Procedures, 713.20 - Natural Disaster Procedures, 714.1.10 - Natural Disaster Procedures, 715.20 RD - Natural Disaster Procedures

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.