



Seller Guide Update



SEL-2024-026: Multiple Topics

June 28, 2024

- Correspondent Lending
- Housing Finance Agency (HFA)

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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.



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

FHA Handbook 4000.1 Update

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

As a reminder and as originally published in **SEL-2024-020**, 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

Effective Date: Effective immediately.

FHA has updated several sections of the Single-Family Policy Handbook 4000.1. The update includes previously issued Mortgagee Letters as well as guidance changes. Below are significant changes; please refer to the 4000.1 Transmittal and highlighted sections of the Handbook for all updates ([FHA Single Family Policy Handbook 4000.1](#)).

Source of Funds

Checking and Savings accounts reflecting individual deposits of more than 50% of the total monthly Effective Income require verification that the deposits are commensurate with the Borrower's income and savings history and no debts were incurred.

Documenting the Transfer of Gifts provides additional guidance for the transfer of the gift verified prior to settlement and at settlement. Evidence of electronic funds transfer has been added. Any gift of the Borrower's MRI must also comply with the additional requirements set forth in Source Requirements for the Borrower's Minimum Required Investment (Total).

Inspection and Repair

Damage inspections may be completed by any FHA Roster Appraiser in good standing. A different Appraiser other than the original Appraiser may be used but must be provided with a copy of the original appraisal.

Reconsideration of Value

Borrower requests of Reconsideration of Value will be allowed. Due to the large impact of the disclosure and timing requirements, this will be enacted at a later date for Case Numbers assigned on or after August 19, 2024.

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
June 20, 2024	New Mexico	Lincoln, Mescalero Tribe

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.