

**U.S. Bank Consolidated Agency Overlays and Clarifications applicable to Delegated Housing Finance Agency Lending Division (as of 01/30/2025)**

To mitigate the risk on the loans we purchase, U.S. Bank Home Mortgage has overlays to Agency guidelines (i.e., Fannie Mae and Freddie Mac).

- **Note:** Unless outlined below as a U.S. Bank Credit Overlay, Delegated Lenders can follow Agency Underwriting Guidelines and their own interpretation and application of those guidelines. Underwriting and Loan Eligibility compliance is backed by the Lender's Reps & Warrants as a Seller to U.S. Bank Home Mortgage. U.S. Bank Home Mortgage publishes on AllRegs our underwriting guidelines, practices, and clarifications that we follow when we underwrite a loan based on our own assessment of risk. Delegated Lenders are encouraged but not required to use these guidelines and clarifications when underwriting a loan to be sold to U.S. Bank.
- An "X" in the investor column indicates that the overlay applies to loans submitted under a lender's delegated underwriting authority.
- The Overlay Descriptions are summarized alphabetically by subject in each section.
- References are not all-inclusive and this document should be used in conjunction with the HFA Lending Guide. For complete product guidelines, refer to the applicable product and underwriting guidelines within our seller guide.
- Items added, removed or modified are referenced in the Seller Guide Update that are released along with the most recent version of the Matrix.
- If there are conflicts between the Overlay Matrix and the Underwriting and/or Product Guidelines, follow the Underwriting and/or Product Guidelines.
- Overlays are shown in **orange font** and clarifications are shown in **brown font** in the Underwriting and/or Product Guidelines.

Section	Overlay and Clarification Description	Freddie Mac	Fannie Mae
<a href="#">500 3-4 Unit Properties</a>	Mortgage Programs Maximum LTV of 90%		X
<a href="#">500 Product Guidelines</a>	2-4 Unit Properties See HFA specific Product Guide for 2-4 Unit Property Eligibility, LTVs, DTIs and FICO score requirements. (non-occupant borrowers allowed on 1-2 Unit Only)	X	
<a href="#">500 Product Guidelines</a>	Manufactured Housing See HFA specific Product Guide for Manufactured Housing Product Type, LTVs, DTIs and FICO score requirements.		X
<a href="#">500 Product Guidelines</a>	Manufactured Housing See HFA specific Product Guide for Manufactured Housing Product Type, LTVs, DTIs and FICO score requirements. (non-occupant borrowers not eligible)	X	
<a href="#">500 Product Guidelines</a>	Debt-to-Income (DTI) Maximum DTI requirements are stated within the HFA specific product guides	X	X
<a href="#">500 Product Guidelines</a>	Texas Home Equity Loans Acreages exceeding 10 acres not allowed.	X	X
<a href="#">500 Product Guidelines</a>	FICO Minimum FICO score requirements are stated within the HFA specific product guides Section 500	X	X
<a href="#">713.05 Eligible Borrowers</a>	Valid SSN Required SSN required (Tax ID Numbers will not be accepted)	X	X
<a href="#">713.07 Effective Income</a>	Restricted Stock Units (RSU) Restricted stock units may be used as income to qualify the borrower if the income has been verified with a 2-year history of receipt and likelihood of continuance from the same employer.	X	X
<a href="#">713.08 Funds for Closing</a>	Cryptocurrency To be used as a source of funds for down payment, closing costs, or reserves, cryptocurrency, digital currencies or altcoins must be converted into US Currency and be held within a US Financial Institution and verified prior to underwriting final approval.  In addition to the verification of US Currency, the borrower(s) must be able to provide acceptable documentation for the source of funds used to initially acquire the cryptocurrency prior to the conversion. Any purchase of the cryptocurrency within the most recent 12 months will be required to have evidence of the source of funds used to acquire the cryptocurrency.	X	X
<a href="#">713.08 Funds for Closing</a>	Sweat Equity Sweat equity is an acceptable source of funds. The Borrower must have a minimum of \$1,000 personal funds into the transaction to be used towards down payment, closing costs, prepaids and/or reserves. See product guides for max LTV/TLTV/HTLTV when sweat equity is used.	X	X
<a href="#">713.09 Credit/Debt Underwriting; 500 Product Guidelines</a>	Manual Underwriting 1. Minimum two months PITIA reserves after closing (or per product guide if greater) 2. See specific HFA Product Guide as additional restrictions may apply.	X	X

<a href="#">713.11 Secondary/Subordinate Financing and Other Financing Agreements</a>	<p>PACE Funding</p> <p>Not allowed.</p>	X	X
<a href="#">713.14 Monthly Payment Escrows</a>	<p>Full Monthly Housing Payment</p> <p>Special Levied Assessments - U.S. Bank requires these monthly assessment amounts be added to the qualifying PITIA.</p>	X	X
<a href="#">713.16 Appraisal Documentation</a>	<p>Property Condition</p> <p>U.S. Bank does not accept properties with a condition rating of C5.</p>		X
<a href="#">713.17 Eligible Properties</a>	<p>Deed/Resale Restrictions</p> <ol style="list-style-type: none"> <li>1. The subsidy provider or program administrator has procedures to approve capital improvements on the property and guidelines for the borrower to receive credit for any costs of capital improvements paid by the borrower that are eligible by the program.</li> <li>2. Deed restrictions regarding borrower's restriction to equity of any kind is allowed when it is through a governmental entity, such as a city, county, or municipality.</li> <li>3. For properties where the resale restrictions survive foreclosure or recordation of a deed-in-lieu of foreclosure, property will be limited to an 80% LTV.</li> </ol>		X
<a href="#">713.17 Eligible Properties</a>	<p>Community Land Trusts</p> <p>U.S. Bank will not permit the following property types on Community Land Trusts:</p> <ul style="list-style-type: none"> <li>• Attached condos</li> <li>• Manufactured homes</li> </ul>	X	X
<a href="#">713.17 Eligible Properties</a>	<p>Property with a Manufactured Home accessory unit</p> <p>U.S. Bank will not allow properties with a manufactured home (does not include modular homes) as an accessory dwelling to be eligible property.</p>	X	X
<a href="#">713.17 Eligible Properties</a>	<p>Deed/Resale Restrictions</p> <ol style="list-style-type: none"> <li>1. The right of first refusal is limited to 90-days from notification to program administrator</li> <li>2. Deed restrictions regarding borrower's restriction to equity of any kind is allowed when it is through a governmental entity, such as a city, county, or municipality.</li> <li>3. For properties where the resale restrictions survive foreclosure or recordation of a deed-in-lieu of foreclosure, property will be limited to an 80% LTV.</li> </ol>	X	
<a href="#">713.19 Manufactured Housing</a>	<p>Manufactured Housing</p> <p>U.S. Bank Home Mortgage will not make or purchase loans that are single-wide manufactured homes.</p> <p>U.S. Bank will require the interior HUD Data Plate to be on all established Manufactured Homes. When not available, the IBTS label verification search must be completed.</p> <p>Mortgages secured by manufactured homes located on leasehold estates or within condominium projects are not eligible.</p>		X
<a href="#">811.05 Waiver of Traditional Project Review</a>	<p>Condominium - Rate and Term Refinances with the Same Investor</p> <p>U.S. Bank does not allow a Rate and Term Refi with the same investor. Traditional (Limited or Full) reviews are required.</p>	X	X

<a href="#">713.05 Eligible Borrowers</a>	Ineligible Borrowers Loans with title or interest held in various forms/legal entities such as Life Estates, Non-Revocable Trusts, LLC's, Corporations, or Partnerships are not eligible.	X	X
<a href="#">713.07 Effective Income</a>	Restricted Stock Units (RSU) Must be listed on the NYSE or NASDAQ major U.S. Stock exchanges. Foreign exchanges will be excluded.	X	X
<a href="#">713.09 Credit/Debt Underwriting</a>	Flood Insurance Premium When flood insurance is required, the full risk premium (all fees and surcharges included, and all discounts excluded) must be used to calculate the housing expense-to-income and debt payment-to-income ratios.		X
<a href="#">713.17 Eligible Properties</a>	Eligible Property Requirements To be considered an eligible property, regardless of occupancy, the property must be suitable for year-round occupancy.	X	
<a href="#">900.D Escrow Information</a>	Levied Special Assessments All levied special assessments must be included in the PITIA for proper DTI and reserve calculations.	X	X



This document is not a Consumer Credit Advertisement and is intended for Correspondent use only. This information is provided to assist Correspondents and is not a consumer credit advertisement as defined by Regulation Z. Loan approval is subject to credit approval and program guidelines. Not all loan programs are available in all states for all amounts. Interest rates and program terms are subject to change without notice. Mortgage and Home Equity products are offered by U.S. Bank National Association. Deposit Products offered by U.S. Bank National Association. Member FDIC. ©2024 U.S. Bank.