



U.S. Bank Consolidated Government Overlays and Clarifications applicable to Delegated Housing Finance Agency Lending Division (as of 12/11/2024)

To mitigate the risk on the loans we purchase, U.S. Bank Home Mortgage has overlays to Government guidelines (i.e. FHA, VA and USDA/RD).

- Note: Unless outlined above as a U.S. Bank Credit Overlay, Delegated Lenders can follow Government 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 or delivery channel.
- 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	FHA	VA	USDA/RD
Underwriting Guideline Overlays applicable to Delegated Underwriting Authority				
500 Product Guidelines	Condominium Single Unit Approval Any Delegated Lender utilizing their own DE may use the Single Unit Approval review however, any loan utilizing the Single Unit Approval will have a maximum LTV of 90% LTV (can only be exceeded with financed upfront MIP), maximum TLTV 90%, no other secondary financing allowed. (Refer to 810.05)	X		
500 Product Guidelines	Debt-to-Income (DTI) Maximum DTI requirements are stated within the HFA specific product guides	X	X	X
500 Product Guidelines	FICO Minimum FICO score requirements are stated within the HFA specific product guides Section 500	X	X	X
500 Product Guidelines	Manufactured Housing See HFA specific Product Guide for Manufactured Housing Product Type, LTVs, DTIs and FICO score requirements. U.S. Bank Home Mortgage will not make or purchase loans that are single-wide manufactured homes.	X	X	X
711.03 Eligible Borrowers	Social Security Number All borrowers are required to have a valid Social Security Number.	X		
711.06 Secondary/Subordinate Financing	PACE Funding Not allowed.	X		
711.07 Credit/Debt Underwriting; 500 Product Guidelines	Manual Underwriting Not allowed; For possible exception, see specific HFA Product Guide.	X		
712.05 Eligible Borrowers	Ineligible Borrowers Guardianships or Conservatorships are not eligible.		X	
712.05 Eligible Borrowers	Illinois Land Trust Legal and complex title requirements prohibit U.S. Bank Home Mortgage from originating or purchasing any Government loans in Illinois Land Trusts.		X	
712.09 Credit/Debt Underwriting; 500 Product Guidelines	Manual Underwriting 1. Minimum two months PITIA reserves after closing (or per product guide if greater) 2. No manufactured homes 3. See specific HFA Product Guide as additional restrictions may apply.		X	
712.12 VA Refinance Loans	VA IRRRL (Not Serviced by U.S. Bank) 1. Tri-merged credit report required. 2. No Investment or Second Homes permitted. 3. 0x30 days delinquent in most recent 12-months. 4. VVOE/VVOB is required (No income documentation is required)		X	
712.24 Secondary/Subordinate Financing	PACE Funding Not allowed.		X	
715.04 Effective Income	Section 8 Housing Vouchers Due to systems constraints and servicing requirements U.S. Bank will not allowing the reduction of PITI when the benefit is paid directly to the servicer. This income must be treated as an addition to repayment income.			X

Section	Overlay and Clarification Description	FHA	VA	USDA/RD
715.06 Secondary/Subordinate Financing	PACE Funding Not allowed.			X
715.07 Credit/Debt Underwriting	Federal and State Tax Repayment Plans All Federal and State Tax repayment plans must be paid in full			X
715.07 Credit/Debt Underwriting; 500 Product Guidelines	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
715.09 Exception Policy	Credit or Debt Waivers U.S Bank Home Mortgage does not allow any credit or debt waivers for Rural Development loans.			X
715.17 Water Systems	Individual Water Systems in Hawaii Individual Water Systems including Rain Catchment Systems in Hawaii will not be allowed			X
900.H Manufactured Housing Requirements	Manufactured Housing ALTA 7.1 needed on manufactured homes. Manufactured Home Limited Power of Attorney is required for loans where Title has not already been surrendered.	X	X	X
900.M Final Documentation	Survey Exceptions ALTA 9 required if there are survey exceptions.	X	X	X
Underwriting Guideline Clarifications				
711.03 Eligible Borrowers	Ineligible Borrowers Life Estates, guardianships, and conservatorships are not eligible.	X		
711.04 Effective Income	Restricted Stock Units (RSU) Restricted stock units may be used as income to qualify the borrower if the income meets the stable income requirements listed in the Underwriting Guidelines and has a likelihood of continuance from the same employer, based on the vesting/payout schedule. A comparison of the historic income to the projected income must be completed to determine the qualifying income.	X		
711.04 Effective Income	Self Employed Business Verification At time of underwriting the file must contain verification, no more than 30 calendar days prior to note date, of the existence of the business for at least two years from a third party source such as a regulatory agency, phone directory, the Internet, or applicable licensing bureau.	X		
711.08 Monthly Payment Escrows	Monthly Housing Payment Special Levied Assessments - U.S. Bank requires these monthly assessment amounts be added to the qualifying PITIA.	X		
712.05 Eligible Borrowers	Ineligible Borrowers Life Estates, Non-Revocable Trusts, Split Trusts, LLC's, Corporations or Partnerships are not eligible.		X	
712.06 Effective Income	Restricted Stock Units (RSU) Restricted stock units may be used as income to qualify the borrower if the income meets the stable income requirements listed in the Underwriting Guidelines and has a likelihood of continuance from the same employer, based on the vesting/payout schedule. A comparison of the historic income to the projected income must be completed to determine the qualifying income.		X	
712.06 Effective Income	Self Employed Business Verification At time of underwriting, the file must contain verification, no more than calendar 30 days prior to note date, of the existence of the business for at least two years from a third party source such as a regulatory agency, phone directory, the Internet, or applicable licensing bureau.		X	
712.10 Monthly Payment Escrows	Monthly Housing Payment Special Levied Assessments - U.S. Bank requires these monthly assessment amounts be added to the qualifying PITIA.		X	
715.08 Monthly Payment Escrows	Monthly Housing Payment Special Levied Assessments - U.S. Bank requires these monthly assessment amounts be added to the qualifying PITIA.			X
900.D Escrow Information	Levied Special Assessments All levied special assessments must be included in the PITIA for proper DTI and reserve calculations.	X	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.