



# Seller Guide Update



SEL-2021-047: Multiple Topics

August 20, 2021

- Correspondent Lending
- Housing Finance Agency (HFA)

## Table of Contents

### The following topics are included in this update:

Conventional Loan Conservatorship and Guardianship .....	2
Update to E-Signatures Requirements .....	2
Property Eligibility Requirements .....	3
Questions .....	3

## Summary



The following items have recently been updated in the U.S. Bank Correspondent Seller and HFA 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 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 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 now include underwriting and delivery method checkboxes to each section when applicable. You'll also find a new grid that outlines the applicable products.

## Effective Date

Immediately unless otherwise noted within each section below.

## Keeping you informed

U.S. Bank continues to closely monitor the ever-changing landscape of our business as a result of the impacts of the coronavirus (COVID-19).

For information about our ongoing work to support our lending partners and customers, we invite you to visit our Correspondent/HFA COVID-19 Resource Page within AllRegs for regular updates and the most current information.

We know you have many questions and we are diligently working to address each of them. We have developed a list of [COVID-19 Frequently Asked Questions](#) and will continue to update this document on a regular basis to keep you informed of process and policy updates.

For additional information about our ongoing work to support customers, we invite you to visit [U.S. Bank's COVID-19 support site](#) for regular updates and the most current information.



## Conventional Loan Conservatorship and Guardianship

Underwriting/Delivery	
<input type="checkbox"/>	Corr. Delegated
<input checked="" type="checkbox"/>	Corr. Non-Delegated
<input type="checkbox"/>	Corr. EZD
<input type="checkbox"/>	Corr. Mandatory
<input type="checkbox"/>	HFA Delegated
<input checked="" type="checkbox"/>	HFA Non-Delegated
Products	
<input checked="" type="checkbox"/>	Conv. (Freddie)
<input checked="" type="checkbox"/>	Conv. (Fannie)
<input checked="" type="checkbox"/>	Conv. (Portfolio)
<input type="checkbox"/>	FHA
<input type="checkbox"/>	VA
<input type="checkbox"/>	Rural Development

**Effective Date:** For all locks taken on or after August 23, 2021.

U.S. Bank is announcing the allowance of transactions involving customers under conservatorship or guardianship. These are loans where the guardian or conservator has been granted the power by a court to provide authorization to obtain the ward's credit report and conduct this specific transaction on the ward's behalf.

### Policy

Adult applicants represented by a guardian or conservator (referred to as a "ward"), or whose property to secure the loan is owned by a guardianship or conservatorship, may be considered provided the guardian or conservator has been appointed by a court and the court has given the guardian or conservator the power to hold, convey, and give a lien against real property owned by the ward, to make payments from the ward's assets, and to permit inquiries concerning the ward's credit. Court documents must be obtained and reviewed. Court-appointed guardians or conservators that meet the criteria above may execute any necessary documents, including the mortgage loan application and the security instrument.

### Court Order and Documentation Review

Due to the specialization of the review of the court documents for these loans, U.S. Bank's Mortgage Customized Credit Group (MCCG) will review any court orders related to the guardianship or conservatorship and the powers granted to the guardian/conservator.

This review will determine that the guardian/conservator was granted the power to authorize a credit report and conduct the transaction on the ward's behalf, or if a new transaction-specific court order is required to conduct the transaction.

U.S. Bank's MCCG will also provide instructions to be passed on to the guardian/conservator regarding the specific powers or court orders that the guardian/conservator will need to close the transaction.

**Guide Updates:** 713.5 Agency – Eligible Borrowers, 714.1.4 Portfolio – Borrower and Occupancy

## Update to E-Signatures Requirements

Underwriting/Delivery	
<input checked="" type="checkbox"/>	Corr. Delegated
<input checked="" type="checkbox"/>	Corr. Non-Delegated
<input checked="" type="checkbox"/>	Corr. EZD
<input checked="" type="checkbox"/>	Corr. Mandatory
<input checked="" type="checkbox"/>	HFA Delegated
<input checked="" type="checkbox"/>	HFA Non-Delegated
Products	
<input checked="" type="checkbox"/>	Conv. (Freddie)
<input checked="" type="checkbox"/>	Conv. (Fannie)
<input checked="" type="checkbox"/>	Conv. (Portfolio)
<input checked="" type="checkbox"/>	FHA
<input checked="" type="checkbox"/>	VA
<input checked="" type="checkbox"/>	Rural Development

U.S. Bank has updated our E-signatures portion of the Correspondent Seller and HFA Lending Guides to reflect the following change specific to those documents where wet signatures are allowed, and the number of days it can be signed prior to closing.

U.S. Bank will purchase loans where documents are signed using an electronic signature provided the documents are delivered and signed in compliance with UETA, ESIGN, State law, all U.S. Bank policies and procedures, or agency guidelines. **For those documents where e-signature is allowed, borrower(s) may sign those documents no more than 7 business days prior to closing (the date the wet signed documents are signed).**

- a) **Lender Approval Process:** Lenders wishing to submit loans to U.S. Bank that contain eligible documentation with electronic signatures must first complete the Lender Approval Request for eSignatures form.

#### Ineligible Documentation:

- Notes or Modifications
- Power of Attorney
- Documents creating Revocable Trusts
- Any document requiring Notarization (i.e. security instrument, riders etc.)
- IRS and Social Security Administration documents. As of March 27, 2020, U.S. Bank will accept an electronically signed 4506-C.

**Guide Update:** 900: Delivery and Funding > C. Funding Documentation Requirements

## Property Eligibility Requirements

Underwriting/Delivery	
<input checked="" type="checkbox"/>	Corr. Delegated
<input checked="" type="checkbox"/>	Corr. Non-Delegated
<input type="checkbox"/>	Corr. EZD
<input checked="" type="checkbox"/>	Corr. Mandatory
<input checked="" type="checkbox"/>	HFA Delegated
<input checked="" type="checkbox"/>	HFA Non-Delegated
Products	
<input checked="" type="checkbox"/>	Conv. (Freddie)
<input checked="" type="checkbox"/>	Conv. (Fannie)
<input checked="" type="checkbox"/>	Conv. (Portfolio)
<input type="checkbox"/>	FHA
<input type="checkbox"/>	VA
<input type="checkbox"/>	Rural Development

**Effective:** Immediately

U.S. Bank is clarifying eligible property requirements.

### Eligible Property Requirements

U.S. Bank Portfolio, Fannie Mae and Freddie Mac require eligible properties to have appropriate utilities, street improvements, adequate vehicular access, and other amenities. Adequate vehicular access is defined as an all-weather road surface over which emergency and typical passenger vehicles can pass at all times.

### Property Eligibility Clarifications

To be considered an eligible property, regardless of occupancy, the property must:

- be in the U.S. Bank lending territory (refer to State Table) which includes properties located on an island.
- have public access, either by road or public ferries with emergency services available,
- have year-round ingress/egress by car/truck
- be suitable for year-round occupancy
- have indoor plumbing and facilities

**Guide Updates:** 713.17 Agency – Eligible Properties, 714.1.9 Portfolio - Property

## 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.