

## U.S. Bank Consolidated Government Overlays applicable to Non-Delegated Housing Finance Agency Lending Division (as of 05/21/2021)

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). Currently, U.S. Bank does not provide any Non-Delegated products for FHA and USDA/RD

- An “X” in the investor column indicates that the overlay applies to loans submitted under a lender’s non-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.

Section	Overlay Description	VA
<b>Underwriting Guideline Overlays applicable to Non-Delegated Underwriting Authority</b>		
<a href="#">000 COVID-19 Resources</a>	NOV Conditions (For applications taken before April 1, 2021)  Any additional items that need to be met on the NOV to comply with VA requirements must be met and completed in 60 days from the date of the NOV issuance.	X
<a href="#">000 COVID-19 Resources</a>	Re-Verification of Employment (For VA applications taken before April 1, 2021)  U.S. Bank requires reverification of employment for all loan types:  Written VOE: U.S. Bank permits the lender to obtain a written VOE confirming the borrower’s current employment status within the same timeframe as the verbal VOE requirements. An email directly from the employer’s work email address that identifies the name and title of the verifier and the borrower’s name and current employment status may be used in lieu of a verbal VOE; or  Paystub: The lender may obtain a year-to-date paystub from the most recent pay period that immediately precedes the note date. Continue to follow the income requirements and guidance in the Agency guides; or  Bank statements: The lender can provide bank statements (or other alternative documentation) evidencing the payroll deposit from the most recent pay period that immediately precedes the note date.	X
<a href="#">000 COVID-19 Resources</a>	Re-Verification of Employment for VA IRRRL Only (For applications taken before April 1, 2021)  U.S. Bank requires reverification of employment for all loan types:  Written VOE: U.S. Bank permits the lender to obtain a written VOE confirming the borrower’s current employment status within the same timeframe as the verbal VOE requirements. An email directly from the employer’s work email address that identifies the name and title of the verifier and the borrower’s name and current employment status may be used in lieu of a verbal VOE; or  Paystub: The lender may obtain a year-to-date paystub from the most recent pay period that immediately precedes the note date. Continue to follow the income requirements and guidance in the Agency guides; or  Bank statements: The lender can provide bank statements (or other alternative documentation) evidencing the payroll deposit from the most recent pay period that immediately precedes the note date.	X
<a href="#">000 COVID-19 Resources</a>	Self-Employed Borrowers  See Verification of Business for additional requirements	X
<a href="#">000 COVID-19 Resources</a>	Termite Inspections (For VA applications taken before April 1, 2021)  Termite Inspection report for properties located in an area on the Termite Infestation Probability Map of “very heavy” or moderate to heavy” will still be required.	X
<a href="#">000 COVID-19 Resources</a>	Verification of Business  U.S. Bank requires a VOB for all self-employed borrowers for all loan types: For self-employed borrowers, operations should verify the borrower’s business is operational closer to the note date rather than rely on current Guide requirements (within 10 calendar days instead of 120 days requirement). If the business is currently closed, the income may not be used to qualify.	X
<a href="#">000 COVID-19 Resources</a>	Verification of Employment (For applications taken before April 1, 2021)  If the required VOE documentation cannot be obtained U.S. Bank and its lenders will not follow guidance allowing the borrowers to close with 2 months cash reserves. The loan will not be approved or purchased without VOE documentation.	X
500 Product Guidelines	Debt-to-Income (DTI)  Maximum DTI requirements are stated within the HFA specific product guides	X
500 Product Guidelines	FICO  Minimum FICO score requirements are stated within the HFA specific product guides Section 500	X
500 Product Guidelines	Manufactured Housing  Not allowed. For possible exception, see specific HFA Product Guide.	X
<a href="#">712.02 Underwriting Documentation</a>	Debt-to-Income (DTI)  For non-delegated loans underwritten by U.S. Bank, Underwriters should comment on the 1008 and/or another underwriting loan summary form on their assessment of the sufficiency of borrower’s income to repay the loan for DTIs > 43%.	X

Section	Overlay Description	VA
<a href="#">712.05 Eligible Borrowers</a>	Trusts 1. Refer to the specific HFA's Guideline 2. If the property is currently in the name of the borrowers Trust the loan may close in the trust as long as the trust meets all U.S. Bank requirements. 3. To close in the borrower's name, the property title must be in the borrower's name prior to final approval. 4. Attorney Opinion Letter Required for those states that a completed Certification of Revocable Trust is not allowed.	X
<a href="#">712.06 Effective Income</a>	Foreign Income Income from High Risk Countries will be accepted on the all transactions except the following: <ul style="list-style-type: none"> <li>• Cash-Out Refinances</li> <li>• 2nd Homes</li> <li>• Investment Properties</li> <li>• Loans requiring Gift Funds sourced from a High-Risk Country</li> </ul> U.S. Bank Home Mortgage will require any loan with assets or income from a High-Risk Country to be underwritten by U.S. Bank.	X
<a href="#">712.08 Funds for Closing</a>	Foreign Assets Assets from High Risk Countries will be accepted on the all transactions except the following: <ul style="list-style-type: none"> <li>• Cash-Out Refinances</li> <li>• 2nd Homes</li> <li>• Investment Properties</li> <li>• Loans requiring Gift Funds sourced from a High-Risk Country</li> </ul> U.S. Bank Home Mortgage will require any loan with assets or income from a High-Risk Country to be underwritten by U.S. Bank.	X
<a href="#">712.08 Funds for Closing</a>	Large Deposit Defined Any deposit in any one month that is greater than 1% of Sales Price must be verified and sourced.	X
<a href="#">712.08 Funds for Closing</a>	Seller paying borrower debts and property gifts Not allowed.	X
<a href="#">712.09 Credit/Debt Underwriting</a>	Adverse Credit/ Recovery Time Periods Deed-in-lieu or short sale require a two-year period from transfer of title to new application.	X
<a href="#">712.09 Credit/Debt Underwriting</a>	Delinquent Credit All judgements are required to be paid off; Credit with collections requires a downgrade.	X
<a href="#">712.09 Credit/Debt Underwriting</a>	Non-Borrowing Spouse Debt The underwriter must count all debt for non-borrowing spouse in Community Property States regardless if they volunteer income information.	X
<a href="#">712.09 Credit/Debt Underwriting; 500 Product Guidelines</a>	Manual Underwriting 1. Minimum two months PITIA reserves after closing (or per product guide if greater) 2. No manufactured homes 3. See specific HFA Product Guide as additional restrictions may apply.	X
<a href="#">712.09.1 Recovery Time Periods for Reestablishment of Credit after Bankruptcy, Foreclosure, Short Sale</a>	Recovery Time Periods for Reestablishment of Credit Financial Mismanagement Deed-in-lieu or short sale require a two-year period from transfer of title to new application.	X
<a href="#">712.10 Monthly Payment Escrows</a>	Monthly Housing Payment Special Levied Assessments - U.S. Bank requires these monthly assessment amounts be added to the qualifying PITIA.	X
<a href="#">712.12 VA Refinance Loans</a>	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
<a href="#">712.15 Anti-Flipping Policy</a>	Purchase Transactions If the Seller must have taken title to the subject property more than 90 days prior to the contract date on the sale of the property to the applicant. Resales occurring between 91-180 days with a resale price increase of 100% or more over the price the seller acquired the property will require a second appraisal. This does not have to be a VA, FHA, or USDA appraisal.	X
<a href="#">712.24 Secondary/Subordinate Financing</a>	PACE Funding Not allowed.	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
<a href="#">900.H Manufactured Housing Requirements</a>	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
<a href="#">900.M Final Documentation</a>	Survey Exceptions ALTA 9 required if there are survey exceptions.	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. Please consult the Correspondent Seller Guide (UniteUS EXT). 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. ©2021 U.S. Bank.