



# Seller Guide Update



SEL-2021-030: Multiple Topics

May 28, 2021

- Correspondent Lending
- Housing Finance Agency (HFA)

## Table of Contents

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

Expiration of ATR/QM Rule Cure Provision .....	2
Reminder: Correspondent Underwriting Fee Updates .....	2
URLA Updated Frequently Asked Questions .....	3
Disaster Area Declarations .....	3
Correspondent Agency Overlay Matrices .....	3
Questions .....	3

## Summary



The following items have recently been updated in the U.S. Bank Correspondent Seller and HFA Division 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 Division 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 Division 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.



## Expiration of ATR/QM Rule Cure Provision

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

## Reminder: Correspondent Underwriting Fee Updates

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 type="checkbox"/>	HFA Delegated
<input 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

As a reminder, with the expiration of QM Points and Fees Cure Provision, covered transactions with consummation dates after January 10, 2021, where the total points and fees exceed the applicable limits, creditors or assignees will no longer be allowed the option to cure the transaction after consummation and bring it into QM compliance. Any impacted loan will not be eligible for purchase.

**Guide Update:** Section 400.19: Truth in Lending Act (TILA) and Regulation Z

As previously published in SEL-2021-021, effective with loan registrations on and after May 21, 2021, U.S. Bank has updated our Underwriting Fee based on product as outlined below:

Product	Updated Underwriting Fee: (Loans registered on/after 5/21)	Product Codes
<b>Conventional Agency</b>		
Conventional Conforming	<b>\$295</b>	3501, 3502, 3503, 3507, 3519, 3601, 3602, 3604, 3619, 3666, 3667, 3668, 3684, 3685, 3686, 3687, 3691
Conventional High Balance	<b>\$295</b>	3626, 3627
<b>FHA</b>		
FHA	<b>\$295</b>	1001, 1002, 1004, 1024, 1025, 1105, 1020,
FHA Jumbo	<b>\$295</b>	1025, 1105
<b>U.S. Bank Portfolio (First and Second Mortgages)</b>		
U.S. Bank Portfolio First Mortgage	<b>\$495</b>	3776, 3784, 3777, 3782, 3783, 3307, 3045, 3309, 3317, 3319, 3320
U.S. Bank Portfolio Second Mortgage	<b>\$250</b>	3141, 3104, 3105
<b>USDA</b>		
USDA	<b>\$305 (no change)</b>	3001
<b>VA</b>		
VA	<b>\$295</b>	2001, 2002, 2009, 2024
VA Jumbo	<b>\$295</b>	2009

**Guide Update:** The Correspondent Seller Guide will be updated to reflect a future change for section 640.1: Commitment and Underwriting.

## URLA Updated Frequently Asked Questions

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

## Disaster Area Declarations

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

## Correspondent Agency Overlay Matrices

## Questions

As was published in **2021-003**, U.S. Bank requires submissions using the redesigned URLA for applications taken on or after March 1, 2021.

### Updated Frequently Asked Questions

Please contact Client Support at 800.200.5881, option 1 with any questions you may have. This will allow us to continue to regularly update our attached **Frequently Asked Questions** document to include addition items as well as clarifications.

- Review the updated document today to read details regarding updated guidance on legacy applications not submitted to AUS by May 1, 2021.

Note: Our expectation is that “recreating” an application in a different format does not impact any regulatory requirements under Reg. B, ECOA, TRID, TILA, or Reg Z.

**Guide Update:** 1160.30 URLA Frequently Asked Questions

The following counties have been declared as Presidential Disaster Area with Individual Assistance on the [FEMA Disaster Website](#) and re-inspection requirements detailed in our Correspondent Seller’s and HFA Division Lending Guide must be met. In some cases, additional counties may have been added. Lenders are responsible for verifying procedures are in place to monitor new and/or updated declarations.

- 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 parishes listed below that have not been ENDORSED as of the Disaster Declaration Date must follow the FHA requirements listed in AllRegs.

Declaration Date	ST	County/Parish
May 21, 2021	WV	Cabell, Kanawha, Mingo, Wayne

**Guide Section:** 711.20 – Natural Disaster Procedures (FHA), 712.20 – Natural Disaster Procedures (VA), 713.21 – Natural Disaster Procedures (Conventional), 714.1.10 – Appraisal Procedures (Portfolio – Correspondent Only), 715.20: Natural Disaster Procedures (USDA)

We have updated the following Correspondent Overlay Matrices to align with our recent Correspondent Overlay Matrices publication issued last week (SEL-2021-026) as follows:

- Removal of Cash Out Transactions Overlay:** Limiting cash-out for 1-2 unit as we expanded to 3-4 units.

**Guide Updates:** 1400.01: U.S. Bank Delegated Correspondent Agency Overlays and 1400.03: U.S. Bank Non-Delegated Correspondent Agency Overlays



**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.



# Correspondent and HFA URLA Frequently Asked Questions (FAQ) – 1160.30

Updated **May 28**, 2021

**U.S. Bank Correspondent and HFA began accepting the redesigned URLA starting with redesigned applications on and after January 1, 2021.**

Lenders are encouraged to review our **SEL-2020-100** for additional information and details.

This FAQ document will be dynamic and will continually be edited and updated throughout the project.

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## Contents

General Information and Implementation Timelines .....	2
Background.....	2
Overall Industry Timeline .....	2
U.S. Bank Home Mortgage General Information and Loan Delivery.....	3
Loan Delivery.....	3
Loan Delivery, continued.....	5
Loan Delivery, continued.....	6
Loan Delivery, continued.....	7
Systems .....	7
Best Practices: Ongoing Incorrect Loan Creation and URLA Versioning .....	8
Additional Resources .....	8





## Correspondent and HFA URLA Frequently Asked Questions (FAQ) – 1160.30

Topic	Question	Response
<b>General Information and Implementation Timelines</b>		
<b>Background</b>	What is the Uniform Residential Loan Application (URLA)?	The URLA (also known as the Freddie Mac Form 65 / Fannie Mae Form 1003) is a standardized document used by borrowers to apply for a mortgage. The URLA is jointly published by the GSEs and has been in use for more than 40 years in all U.S. states and territories.
	Why was the URLA redesigned?	<p>Changes in the mortgage industry and the regulatory environment led the GSEs to reassess the information obtained at the time of loan origination. The URLA/ULAD initiative has the following objectives:</p> <ul style="list-style-type: none"> <li>Update the URLA form to collect loan application information that is relevant and useful to the industry in making a loan underwriting decision, as well as update the physical format and layout to enhance the collection of information and usability of the form.</li> <li>Develop and publish a corresponding standard dataset to support the URLA. The ULAD Mapping Document provides a cross reference for every field on the redesigned URLA to the equivalent data point(s) in the MISMO Version 3.4 Reference Model.</li> <li>Publish GSE-specific automated underwriting system (AUS) specifications for Desktop Underwriter® (DU®) and Loan Product Advisor® updated to MISMO v3.4 and including the redesigned URLA fields.</li> </ul> <p><b>Note:</b> The URLA redesign does <u>not</u> change a creditor's obligations to provide various loan disclosures soon after it receives a consumer's application.</p>
<b>Overall Industry Timeline</b>	What is the timeline for implementation by the Agencies?	Freddie Mac/Fannie Mae (the GSEs) will extend the implementation timeline for the redesigned Uniform Residential Loan Application (URLA) and automated underwriting systems (AUSs) to support the industry during the COVID-19 pandemic. <b>The new mandate date for the use of the redesigned URLA and AUS specifications is March 1, 2021.</b>
	What is the Limited Production Phase (LPP)?	<p><b>Limited Production Phase – August 1, 2020:</b> As announced in December 2019, the Limited Production Period can be thought of as a “test and learn” period. The GSEs will begin accepting the MISMO v3.4 loan application submission files in production on a limited basis. Lenders will have controlled access to the GSEs’ AUS production environments based upon validation of eligibility requirements and completion of the Partner Readiness Questionnaire.</p> <p>Only participants who have completed these prerequisites and received GSE approval will be allowed to submit loans using the redesigned URLA prior to its redesigned effective date of 1/1/21.</p>
	When does Open Production begin?	<p><b>Open Production – January 1, 2021:</b> Starting January 1, 2021, all lenders may submit the MISMO v3.4 loan application submission files to GSE-specific AUS production environments using the redesigned URLA. NOTE: Freddie Mac and Fannie Mae are updating the effective date in the footer of the redesigned URLA to 1/2021.</p>
	When is the Mandated Effective Date?	<p><b>March 1, 2021:</b> All lenders are required to submit the MISMO v3.4 loan application submission files to the GSEs’ AUS production environments using the redesigned URLA beginning March 1, 2021. NOTE: Freddie Mac and Fannie Mae will continue to process applications received prior to the mandate date within the AUS format on which they were initially submitted. A one-year run off old 1003's will run through March 1<sup>st</sup>, 2022.</p>



## Correspondent and HFA URLA Frequently Asked Questions (FAQ) – 1160.30

### U.S. Bank Home Mortgage General Information and Loan Delivery

<h3 style="color: #005596; margin: 0;">Loan Delivery</h3>	<p>Will U.S. Bank accept the redesigned URLA prior to the Agencies mandate date of 3/1/21?</p>	<p>Yes, U.S. Bank will begin accepting the redesigned URLA in loan documents beginning January 1, 2021 during the Open Production period outlined on page 2 (refer to Overall Industry Timeline).</p>
	<p>Will U.S. Bank continue to accept the current MISMO 3.2 file configuration?</p>	<p>U.S. Bank requires the usage of the MISMO 3.2 file for loans created using the old loan application in alignment with GSE requirements. The 3.2 file format will remain a U.S. Bank acceptable file until it is no longer allowed by the GSEs but should only be used for loans originated using the old 1003 documentation.</p>
	<p>Will U.S. Bank accept the redesigned MISMO 3.4 file configuration?</p>	<p>U.S. Bank will accept the MISMO 3.4 file for loans created using the redesigned loan application in alignment with GSE requirements beginning January 1, 2021. <b>It is important to note that once a loan is created using either file format, it must continue to use the same format for the full life of the loan. The loan file format cannot be changed from 3.2 to 3.4 file format (or vice versa).</b></p>
	<p>What programs/products can I deliver to U.S. Bank beginning January 2021?</p>	<p>You may now deliver the following programs using your delegated and non-delegated underwriting status:</p> <ul style="list-style-type: none"> <li>Agency Fannie Mae and Freddie Mac</li> <li>FHA, VA and USDA*</li> <li>Portfolio</li> </ul> <p>*The USDA optional use period runs from December 7, 2020 – February 26, 2021. For USDA loans submitted to U.S. Bank during the optional use period that include the redesigned URLA, lenders will be required to provide the corresponding dataset in the MISMO v3.4 format.</p> <p>RD is implementing the new Guaranteed Underwriting System (GUS) with the new URLA on March 1, 2021.</p> <p><b>Conditional Commitments:</b> RD is converting to a New GUS and any loan with Conditional Commitments not issued as of February 26, 2021 must be submitted to the New GUS. The time frame for the conversion is:</p> <ul style="list-style-type: none"> <li><b>February 26, 2021</b> - Close of business legacy GUS no longer available for editing or processing applications. It will be view only access for one year.</li> <li><b>February 27-28, 2021</b> - SFHGLP systems will be unavailable to transition to the new GUS.</li> <li><b>March 1, 2021</b> - New GUS goes live. Existing applications in legacy GUS that have not received a Conditional Commitment will require the application to be entered into the new GUS.</li> </ul> <p>SFHGLP is receiving record volume and may not be able to review all applications submitted prior to February 26, 2021 closing of Legacy GUS, however all complete applications received by February 1, 2021 will be issued a Conditional Commitment. Monitor posted turn times on the RD website to make determination of ability to receive a Conditional Commitment before February 26, 2021 closing of legacy GUS.</p> <p>If an application in legacy GUS has not received a Conditional Commitment by the close of business on February 26, 2021, the application will need to be re-entered into the new GUS.</p> <p><b>New GUS Entry:</b> Entering the application into new GUS can be done by importing the FNMA DU MISMO 3.4v1.8.1 XML file or manually entering the application.</p>



## Correspondent and HFA URLA Frequently Asked Questions (FAQ) – 1160.30

	<p>What information is required to be delivered using the redesigned URLA if a lender is approved to do so?</p>	<p>U.S. Bank will require the borrower and lender pages on all loans. Where applicable, the additional borrower, unmarried addendum and continuation sheet will be required. The redesigned URLA provides one form in five parts:</p> <p><b>Required for all loans:</b></p> <ol style="list-style-type: none"> <li>1. <b>Borrower Information:</b> Collects personal information for one borrower including:             <ol style="list-style-type: none"> <li>a. Section 1 - Borrower Information: Personal Information and Employment and Income</li> <li>b. Section 2 - Financial Information: Assets and Liabilities (joint)</li> <li>c. Section 3 – Financial Information: Real Estate (joint)</li> <li>d. Section 4 – Loan and Property Information: Loan Amount, Property Type, Other New Mortgages, Rental Income, Gifts and Grants (joint)</li> <li>e. Section 5 – Declarations: About this Property and About your Finances</li> <li>f. Section 6 – Acknowledgements and Agreements (all borrowers sign)</li> <li>g. Section 7 – Military Service</li> <li>h. Section 8 – Demographic Information: replaces the Demographic Information Addendum</li> <li>i. Section 9 – Loan Originator Information</li> </ol> </li> <li>2. <b>Lender Loan Information:</b> Completed by the lender and includes transaction details, some may not be known at application including:             <ol style="list-style-type: none"> <li>a. Section L1. Property and Loan Information</li> <li>b. Section L2. Title Information</li> <li>c. Section L3. Mortgage Loan Information</li> <li>d. Section L4. Qualifying the Borrower – Minimum Required</li> <li>e. Funds or Cash Back</li> </ol> </li> </ol> <p><b>Use when applicable to the transaction:</b></p> <ol style="list-style-type: none"> <li>3. <b>Additional Borrower:</b> Captures personal information for a joint borrower including:             <ol style="list-style-type: none"> <li>a. Disclosed on Additional Borrower Form                 <ol style="list-style-type: none"> <li>i. Section 1 - Borrower Information: Personal Information and Employment and Income</li> <li>ii. Section 5 – Declarations: About this Property and About your Finances</li> <li>iii. Section 6 – Acknowledgements and Agreements (all borrowers sign)</li> <li>iv. Section 7 – Military Service</li> <li>v. Section 8 – Demographic Information: replaces the Demographic Information Addendum</li> </ol> </li> <li>b. Disclosed jointly on Borrower Information Form                 <ol style="list-style-type: none"> <li>i. Section 2 - Financial Information: Assets and Liabilities (joint)</li> <li>ii. Section 3 – Financial Information: Real Estate (joint)</li> <li>iii. Section 4 – Loan and Property Information: Loan Amount, Property Type, Other New Mortgages, Rental Income, Gifts and Grants (joint)</li> <li>iv. Section 9 – Loan Originator Information</li> </ol> </li> </ol> </li> <li>4. <b>Unmarried Addendum:</b> Identifies property laws that may affect credit worthiness</li> <li>5. <b>Continuation Sheet:</b> Suggested format for providing additional information</li> </ol> <p><u>Sample forms available FNMA Uniform Residential Loan Application.</u></p>
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## Correspondent and HFA URLA Frequently Asked Questions (FAQ) – 1160.30

<p>Loan Delivery, continued</p>	<p>Will there be a preference for displaying the loan number and/or the ULI at the top of the URLA output forms?</p>	<p>U.S. Bank does not have a specific requirement. It would, however, be helpful if the chosen path is consistent from page to page and from application to application.</p>
	<p>Will U.S. Bank accept the redesigned MISMO 3.4 file configuration?</p>	<p>U.S. Bank will accept the MISMO 3.4 file for loans created using the redesigned loan application in alignment with GSE requirements beginning January 1, 2021. <b>It is important to note that once a loan is created using either file format, it must continue to use the same format for the full life of the loan. The loan file format cannot be changed from 3.2 to 3.4 file format (or vice versa).</b></p>
	<p>What does U.S. Bank required for sections where no data is entered?</p>	<p>U.S. Bank does not have a specific requirement, other than a clear indication if the section does not apply so that U.S. Bank knows there is no information in it.</p>
	<p>In regard to the (.fnm) file upload on the redesigned U.S. Bank lock request form, will there be any updates to this process?</p>	<p>U.S. Bank will begin accepting the redesigned URLA on January 1, 2021. We will continue to accept the 3.2 version until it is no longer allowed by the GSEs.</p> <ul style="list-style-type: none"> <li>• If a user uploads the (.fnm) file, our UniteUS EXT system will automatically set the URLA flag based on the version.</li> <li>• If a user is manually creating a loan, he/she will need to select which URLA version was used for the loan.</li> </ul> <p>It is important to note, that once a loan has the URLA version selected, it cannot be changed. In the event there is an error, the loan would have to be cancelled and new loan created. Please refer the Systems section below for important updates to the loan registration process in UniteUS.</p>
	<p>Will U.S. Bank align with Fannie Mae/Freddie Mac Automated Underwriting System Messaging requirements?</p>	<p>U.S. Bank aligns with the <u>Uniform Residential Loan Application March 1 Mandate (Automated Underwriting System Messaging)</u> as published by the Agencies on February 16, 2021. Lenders are encouraged to review the update in its entirety as linked above. Highlights include:</p> <p><b>Mandate</b> The mandate for implementing the redesigned URLA is March 1, 2021. The GSEs fully expect that new loan applications started on or after March 1 will be submitted using the redesigned form and DU MISMO v3.4/LPA v5.0.06 file formats. <u>The GSEs have not described how a lender should determine the “loan application start date.” However, the expectation is that the lender will apply its chosen definition consistently.</u></p> <p><b>AUS Messaging</b> To accommodate those loans started in the legacy format prior to March 1, but not submitted by that date, the GSE AUSs will not return an Out of Scope for Fannie Mae or critical edit for Freddie Mac on new loans submitted in the legacy format until May 1, 2021. We expect the industry to submit all applications started in the legacy formats to either GSE’s AUS by May 1. Effective May 1, 2021, any new loan submitted using legacy formats will no longer be accepted. The following sections provide GSE-specific information about AUS messaging and resources.</p> <p><b>Fannie Mae</b></p> <ul style="list-style-type: none"> <li>• DU will return an Out of Scope recommendation on loan application files submitted using the 1003 v3.2 or MISMO v2.3.1 format with a casefile create date on or after May 1, 2021. This announcement supports the 60-day advance notification for DU system changes.</li> </ul>





## Correspondent and HFA URLA Frequently Asked Questions (FAQ) – 1160.30

<p>Loan Delivery, continued</p>	<p>Will U.S. Bank continue to require AUS validation on Portfolio loans?</p>	<p>U.S. Bank will continue to require AUS (LP/DU) to be utilized on all Portfolio loans to validate the credit report. Portfolio loans will require the redesigned URLA form as of May 1, 2021 to validate the credit report. Portfolio loans will require the redesigned URLA form as of May 1, 2021 to validate the credit report.</p> <p>New submissions in legacy formats will not be accepted as of May 1, 2021, and will receive the following GSE-specific AUS messaging: (1) For Fannie Mae: DU will return an “Out of Scope” recommendation on loan application files submitted using the 1003 v3.2 or MISMO v2.3.1 format with a casefile create date on and after May 1, 2021 and (2) For Freddie Mac: LPA versions earlier than v5.0.06 will return a critical edit on loan application files with an Original Submission Date on and after May 1, 2021.</p> <p>An “Out of Scope” recommendation LPA critical edit would not validate the credit report as required and, as such, Portfolio loans will require the redesigned URLA form as of May 1, 2021.</p>
	<p>How will the redesigned URLA impact U.S. Bank’s Correspondent Construction Conversion product offering?</p>	<p>What version of the URLA form should be used on a modification for a 1XConversion (Construction Conversion) loan that closed prior to 03/01/21?</p> <ul style="list-style-type: none"> <li>At present, the old URLA form is acceptable provided the application date is prior to 3/1/21. The legacy format (3.2) may be used provided the first AUS submission occurred prior to 5/1/21. Old URLA resubmissions will be supported up until 2/28/2022.</li> </ul> <p>Will the lender be able to submit using the old URLA version if the change in permanent terms requires a resubmission to LPA after 03/01/21 for a loan that was originally submitted with the old URLA version? If yes, how long will this be an allowed?</p> <ul style="list-style-type: none"> <li>At present, the old URLA form is acceptable provided the application date is prior to 3/1/21. The legacy format (3.2) may be used provided the first AUS submission occurred prior to 5/1/21. Old URLA resubmissions will be supported up until 2/28/2022.</li> </ul> <p>How does the Agency announcement on 2/16/21 impact 1XConversions?</p> <ul style="list-style-type: none"> <li>If a lender chooses to execute a new application form at point of modification, there is no issue if the initial application was on the old URLA form and application at modification is on the new URLA.</li> </ul> <p><i>Scenario not supported: Lender runs DU using legacy format (3.2) prior to 5/1/21 then attempts to launch to LPA (first submission) after 5/1/21 using legacy format (3.2). The first submission to LPA must either occur prior to 5/1/21, or the lender must switch to new (3.4) format.</i></p>
	<p>Joint Credit Initial Requirements on New URLA, Section 1a (Personal Information)</p>	<p>U.S. Bank loan purchase requirements (based on past and current regulatory instruction) have not changed regarding the requirement that in instances when each borrower intends to apply for joint credit, each borrower must initial page 1 as indicated in Section 1a (Personal Information) of their respective application. For regulatory instruction, see ECOA Reg. B 1002.7(d)(1) and official commentary.</p>
	<p>Combo First and Second Mortgage Loans</p>	<p>A combo loan (first and second mortgage loan) should utilize the same URLA form and format (legacy 3.2 vs. redesigned 3.4). The use of different forms and formats is not supported systematically.</p>



## Correspondent and HFA URLA Frequently Asked Questions (FAQ) – 1160.30

<p><b>Loan Delivery, continued</b></p>	<p>Will U.S. Bank align with Fannie Mae and Freddie Mac's recent announcement regarding the AUS Submission Deadline?</p>	<p>Yes, U.S. Bank has aligned with Fannie Mae and Freddie Mac's <u><a href="#">reminder regarding the April 30 AUS Submission Deadline.</a></u></p> <ul style="list-style-type: none"> <li>As Fannie Mae and Freddie Mac (the GSEs) <u><a href="#">announced on February 16, 2021</a></u>, to accommodate loans started in legacy formats prior to March 1, but not submitted by that date, the GSE AUSs will not return an Out of Scope/Error for Fannie Mae or critical edit for Freddie Mac on new loans submitted in the legacy format until May 1, 2021.</li> <li><b>Effective May 1, 2021, the GSE AUSs will no longer accept new loans submitted using legacy formats.</b> Subsequent resubmissions of loan casefiles already in the legacy format may continue, as needed, through February 28, 2022, the end of the Pipeline Loan Closing Period.</li> </ul>
	<p>Has U.S. Bank published guidance on how to proceed with Old/Legacy Applications that were not submitted to AUS by 5/1?</p>	<p><u><a href="#">Fannie Mae issued the following guidance</a></u> with instruction noting that, "Effective May 1, 2021, any new loan applications using the legacy Form 1003/DU file format will receive an Out of Scope or Error recommendation and will not be underwritten by DU. If you have new loans in legacy formats that have not had a casefile ID assigned by DU by April 30, you must recreate the application using the redesigned Form 1003 and DU MISMO v3.4 file format. This may require obtaining additional information from your borrower to ensure that you have all data required by the redesigned Form 1003." <b>Freddie Mac</b> has indicated their intention to update their own FAQ with a similar position.</p> <p><b>Note:</b> Our expectation is that "recreating" an application in a different format does not impact any regulatory requirements under Reg. B, ECOA, TRID, TILA, or Reg Z.</p>

### Systems

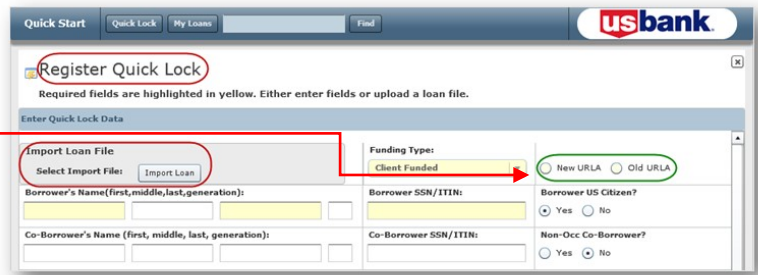
For Correspondent, U.S. Bank will accept production utilizing the redesigned URLA through our current loan origination system, UniteUS EXT.

**Functionality Highlights:**

With the recent updated functionality within UniteUS EXT now available, when a user manually selects **Old URLA** or when the **Old URLA** version is imported, UniteUS EXT will automatically ask the user via a pop-up message to confirm the selection as outlined below.

**Warning Message:**

With the new warning message below, lenders must ensure that based on the selection to register a loan using the 'Old URLA Form,' that the loan was also processed and closed using the old URLA format.



Register Quick Lock (RQL)	Batch Quick Lock (BQL)
(Confirming Selection of OLD URLA)	(Confirming Selection of OLD URLA)
<div style="border: 1px solid gray; padding: 5px;"> <p style="font-size: small; margin: 0;">Form Type Warning</p> <div style="text-align: center; margin: 5px 0;"> <span style="color: red; font-weight: bold; font-size: small;">Warning: You have selected to register this loan using the Old URLA Form</span> </div> <p style="font-size: x-small; margin: 5px 0;">This loan will be registered using the Old URLA. Please verify this loan was processed and closed using the Old URLA format. Please refer to Bulletin B-2021-16 for specific details.</p> <p style="margin: 5px 0;"><b>Do you wish to continue?</b></p> <div style="display: flex; justify-content: center; gap: 20px; margin: 5px 0;"> <span style="border: 1px solid gray; padding: 2px 10px; font-size: x-small;">Yes, Continue</span> <span style="border: 1px solid gray; padding: 2px 10px; font-size: x-small;">No, Cancel Upload</span> </div> </div>	<div style="border: 1px solid gray; padding: 5px;"> <p style="font-size: small; margin: 0;">Form Type Warning</p> <div style="text-align: center; margin: 5px 0;"> <span style="color: red; font-weight: bold; font-size: small;">Warning: You have selected to register loan(s) using the Old URLA Form</span> </div> <p style="font-size: x-small; margin: 5px 0;">One or more of your loans will be registered using the Old URLA. Please verify these loans were processed and closed using the Old URLA format. Please refer to Bulletin B-2021-16 for specific details.</p> <p style="margin: 5px 0;"><b>Do you wish to continue?</b></p> <div style="display: flex; justify-content: center; gap: 20px; margin: 5px 0;"> <span style="border: 1px solid gray; padding: 2px 10px; font-size: x-small;">Yes, Continue</span> <span style="border: 1px solid gray; padding: 2px 10px; font-size: x-small;">No, Cancel Upload</span> </div> </div>

**Bulk Upload:** U.S. Bank's new bulk upload template has a new column dedicated to the new MISMO 3.4 file configuration.

- LICS** - For HFA lenders, as this is for the reservation file only, there is no impact systematically.



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**Loans with Application Dates on or After March 1, 2021:** In B-2021-15 published on May 13<sup>th</sup>, we announced new UniteUS EXT functionality specific to the requirement for **Loans with Application Dates On or After March 1, 2021**. As has been published, U.S. Bank requires submissions using the redesigned URLA for applications taken on or after March 1, 2021. In order to ensure correct loan registration, U.S. Bank is implementing functionality within our UniteUS EXT system to prohibit users from registering loans with an Application Date on or after 3/1/21 using the old URLA v3.2 format.

**If a user enters an Application Date on or after 3/1/21 when importing an URLA v3.2 file or selecting “Old URLA” during manual entry on the Register Quick Lock screen, users will receive the following *Delivery Authority Failure Message* stating they cannot float or lock the loan:**

**URLA v3.2 is not allowed for applications taken on or after 3/1/21. Contact Client Support at 1-800-200-5881 Option 1 for assistance or cancel this loan and start a new registration with URLA v3.4. Application/Closing URLA version must match.**

Once a user receives the *Delivery Authority Failure Message*, there are two options based on whether or not the Application Date used at the time of loan registration was correct:

Application Date	Next Steps
<b>If the Application Date is <u>incorrect</u>:</b>	Correct the Application Date to prior to 3/1/21 if that is actually the case with the loan the user is trying to register.
<b>If the Application Date is after 3/1/21 and is <u>correct</u>:</b>	<ul style="list-style-type: none"> <li>If originated and closed using version 3.4, user should cancel the loan and start over with the correct URLA version v3.4.</li> <li>If originated and closed using version 3.2, please contact Client Support for assistance.</li> </ul>

If neither of the steps outlined above provide resolution at the time of loan registration, lenders are encouraged to contact our U.S. Bank Client Support at 1.800.200.5881, option 1 for assistance in completing the loan registration process.

### Best Practices: Ongoing Incorrect Loan Creation and URLA Versioning

**Best Practices: Ongoing Incorrect Loan Creation and URLA Versioning (Revised 5/17/21):** As referenced in our published Best Practice, the following verifications will help minimize processing delays.

Rank	Category	Best Practice/Verification
1	Manually Created Loans	The user is required to select 'New URLA' or 'Old URLA' on the Register Quick Loan (RQL) Screen. Refer to page 1 for sample screenshots.
2	(.FNM) File Import	When importing a 3.2 or 3.4 (.fnm.xml) file, the URLA version will populate based on the file version. While our system will automatically populate the URLA version based on the version indicated in the 3.2 or 3.4 file, lenders must verify that when importing the 3.2 or 3.4 file, that the data populated does, in fact, match the way the loan was processed and closed.
3	Loan Processing/Closing	<ul style="list-style-type: none"> <li>If a loan was processed/closed using the 'Old URLA' version, 'Old URLA' should be selected for manual entry or a 3.2 file should be imported.</li> <li>If a loan was processed/closed using the 'New URLA' version, 'New URLA' should be selected for manual entry or a 3.4 file should be imported.</li> </ul>
4	Loan Origination System (LOS) Export	When exporting a (.fnm.xml) file from your respective LOS, it is important that a lender ensures the format of the export (3.2 vs 3.4) matches the URLA version (old or redesigned) used to close and process that particular loan.

**Reporting Resources:** U.S. Bank Client Support can provide lenders with a current list of registered/not delivered loans reflecting the URLA version used. Lenders can then review the non-delivered pipeline in their delivery platform to determine if any loans were created with the incorrect URLA version. If so, lenders would need to create a new loan record with the correct URLA version and provide both the old and new loan numbers to U.S. Bank so that we can transfer the lock to the new loan record and cancel the loan incorrectly registered.

#### Additional Resources

- [Fannie Mae URLA web page](#)
- [Freddie Mac URLA web page](#)
- [Fannie Mae and Freddie Mac Uniform Residential Loan Application \(URLA\) / Uniform Loan Application Dataset \(ULAD\) FAQs](#)

[Return to Top](#)