



Arizona Department of Housing



Home Loan Program

Lender Support:

"HOME Plus" Home Loan – DPA Program

This document does not replace the HOME Plus Program Guidelines or override any of the underlying mortgage (FHA, VA, USDA, Fannie Mae HFA Preferred – a version of HomeReady and Freddie Mac HFA Advantage – a version of Home Possible) agency guidelines

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Mortgage Type	Down Payment Assistance	Minimum Credit Score	Lender Compensation (all paid in SRP)	Geographical Restrictions: NOT available in
Fannie Mae HFA Preferred	5%	640	2.50%	Pima County
Fannie Mae HFA Preferred	4%	640	2.50%	Pima County
Fannie Mae HFA Preferred	3%	640	2.50%	Pima County
Freddie Mac HFA Advantage	4%	640	2.50%	Pima County
FHA	4%	660	2.50%	Maricopa & Pima County
FHA	3%	660	2.50%	Maricopa & Pima County
USDA-RD	2%	640	1.00%	Maricopa & Pima County
VA	2%	640	1.00%	Maricopa & Pima County

On Fannie & Freddie minimum credit score on ANY LTV is 640, effective 8/19/2016. Condos max LTV 95%. DPA is **NOT** tied to LTV. (MI Charter minimum 18% on 97% LTV, 16% on 95% LTV, 12% on 90% LTV).

Borrower(s) annual income not to exceed \$92,984.00. Purchase price of subject property cannot exceed \$371,936.00

For today's interest rates (and program guidelines) visit: <http://www.ehousingplus.com/available-programs/arizona/arizona-hfa/adoh-homeplus/>

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(for loan originator illustration purposes only – v.8.22.2016)



PRE PURCHASE / HOMEBUYER EDUCATION COUNSELING

For both ADOH DPA Programs; **HOME Plus** and **Pathway to Purchase** (excluding Tucson) there are a number of pre purchase / homebuyer education counseling options, *some* of the options, including the online and in-person providers are listed below:

ONLINE:

www.frameworkhomeownership.org

www.MGIChome.com

<http://housinghelp.takechargeamerica.org/buy-a-home/>

<https://mortgageinsurance.genworth.com/LenderServices/HomebuyerEducation.aspx>

www.incharge.org

www.nationalmi.com/hbe

IN-PERSON PROVIDERS:

<http://www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm?webListAction=search&searchstate=AZ>

The exact text from the **HOME Plus** and **Pathway to Purchase** (excluding Tucson) program guidelines reads:

- **Homebuyer Education Course Required:** Each borrower must complete a homebuyer education course before closing. The homebuyer education requirement may be met by taking a pre purchase course through an internet-based program developed by mortgage insurance companies, such MGIC or Genworth Financial or through another HUD-approved homebuyer education provider. These outlets meet the standards prescribed by the National Industry for Homeownership Education and Counseling (NIHEC). <http://www.homeownershipstandards.com>. These standards were developed by HUD, Freddie Mac, Fannie Mae, and various lenders and interest groups.

The Pathway to Purchase program for homebuyers in the City of Tucson will be administered by the Pima / Tucson IDA their program link is www.tusconida.com

Mortgage Insurance Coverage

LTV

- 95.01 – 97%
- 90.01 – 95%
- 85.01 – 90%
- 80.01 – 85%

HFA Preferred

- 18%
- 16%
- 12%
- 6%

HomeReady

- 25%
- 25%
- 25%
- 12%

Standard

- 35%
- 30%
- 25%
- 12%

MI structures permitted

- Monthly borrower paid
- Upfront or split premium
 - Upfront premiums* can be financed or paid with a financing concession
- Seller paid
- Financed single premium

*Subject to the requirements and limitations in the Fannie Mae Selling Guide. See, Fannie Mae Selling Guide, B3-4.1-03, Types of Interested Party Contributions (IPCs); and B5-6-05, HomeReady Mortgage Loan Pricing, Mortgage Insurance, and Special Feature Codes.

Features and Benefits: Mortgage Insurance



LTV Ratio	HFA Advantage Mortgage Insurance Coverage	Standard Mortgage Insurance Coverage
Greater than 80% up to 85%	6%	12%
Greater than 85% up to 90%	12%	25%
Greater than 90% up to 95%	16%	30%
Greater than 95% up to 97%	18%	

Flexible mortgage insurance options described in Section 27.1(b) are not permitted. Lender-paid and financed mortgage insurance premiums described in Section 27.1.1 are permitted.

A Look Beyond the Interest Rate

	4.25%	4.625%	4.625%	4.625%
	FHA 96.5% LTV	HFA Preferred 97% LTV Monthly MI	HFA Preferred 97% LTV Seller paid	HFA Preferred 95% LTV Financed single premium
	<ul style="list-style-type: none"> • \$1,436 monthly payment • 1.75% upfront MIP • 0.85% annual MI • Life of loan MI 	<ul style="list-style-type: none"> • \$1,427 monthly payment • 0.00% upfront MI • 0.80% annual MI • Auto termination at 78% LTV 	<ul style="list-style-type: none"> • \$1,330 monthly payment • 0.00% upfront MI • 0.00% annual MI 	<ul style="list-style-type: none"> • \$1,329 monthly payment • 2.00% upfront MI • 0.00% annual MI
Monthly Savings		\$9	\$106	\$107
Annual Savings		\$108	\$1,272	\$1,284
5-year Savings		\$540	\$6,360	\$6,420

Assumptions: \$200,000 home price, 730 FICO, Monthly PITI assumes 2% T&I

Note: MI may be financed up to the maximum LTV for the transaction, including the financed MI

HFA Preferred - Highlights

	HFA Preferred	HomeReady
Income Limits	✓ Higher HFA Limits	Fannie Mae limits
Homebuyer Education	✓ HFA requirements	Required on all loans through Framework
MI Coverage	✓ Reduced MI	Standard coverage (capped at 25%)
Ability to Repay	✓ Exempt (5% points and fees)	Non-exempt (3% points and fees)

97% LTV Options: HFA Preferred™ – HomeReady™ – Standard – Comparison

Reference documents: Fannie Mae [Selling Guide](#); [97% LTV Options web page](#); HomeReady product matrix (available 9/29)

97% LTV Feature	HFA Preferred 97%	HomeReady 97%	Standard 97%
Product, Property, and Transaction Type	Purchase* of 1-unit principal residence, fixed-rate mortgage up to 30-year term *HFA Preferred also permits limited cash-out refinance up to 97% (max 95% with HomeReady and standard) Standard only permits LCOR with LTV >95% to 97% for existing Fannie Mae loans		
Borrower Eligibility: Income Limits	HFA-specific income limits	No income limits in low-income census tracts; 100% of area median income (AMI) in high-minority census tracts or designated disaster areas; 80% of AMI in all other census tracts	No income limits
Borrower Eligibility: First-time Home Buyer	Not required		At least one borrower must be a first-time home buyer (per Selling Guide definition)
MI Coverage	Charter minimum MI coverage: 18% for 97% LTV	25% MI coverage for LTVs 90.01–97% (otherwise, standard coverage)	Standard MI coverage
Pre-Purchase HBE and Counseling	Required for at least one borrower per Selling Guide requirements, or per HFA guidelines; HFA may use their own provider	Required for at least one borrower using Framework	Not required
Underwriting Method	Available through Desktop Underwriter® (DU®) (manual underwriting permitted up to 95% LTV)	DU underwriting required, and DU will indicate if the loan casefile appears eligible for HomeReady (manual underwriting permitted up to 95% LTV)	
Community Seconds®	Eligible up to 105% CLTV		
Loan-Level Price Adjustments (LLPAs)	No standard LLPAs; no LLPA for minimum MI coverage	Standard risk-based LLPAs waived with an LTV above 80% and a representative credit score equal to or greater than 680; for loans outside of these parameters,	Standard risk-based LLPAs as applicable (except the Subordinate Financing LLPA)

Quick Steps – How to Enter an HFA Preferred Loan



Entering the data for an HFA Preferred loan

Tip: To print this document, click (Print). To get a closer look at a screen, click (Zoom In) in the toolbar.

This document shows you how to enter the data for a Fannie Mae HFA Preferred™ loan. This document is not intended to provide detailed instructions for entering 1003 data in Desktop Originator®/ Desktop Underwriter® (DO/ DU®), but rather to explain the specific steps for entering the data needed for an HFA Preferred loan.

Note: Lenders must be approved to deliver HFA Preferred loans to Fannie Mae. For details on HFA Preferred loans, lenders should contact their state Housing Finance Agency (HFA) to determine if they are offering HFA Preferred loans; and mortgage brokers should contact their DO sponsoring wholesale lender.

The first step assumes that you have already logged in to DO/ DU and you are in the casfile you want to submit as a HFA Preferred loan.

Step	Screen
1. Click Additional Data in the navigation bar.	 <p>Quick 1003</p> <ul style="list-style-type: none"> • Borrower Information • Terms, Terms & Pricing • Employment Information • Income & Housing • Assets • Liabilities • Details of Transaction • Declarations • Additional Data • Submission Page <p>Full 1003 Link to Underwriting Guides</p>
2. The Additional Data screen opens. Locate the Community Lending Information section.	 <p>COMMUNITY LENDING INFORMATION</p> <p>Community Lending Product: [Dropdown]</p> <p>Community Second: [Dropdown]</p> <p>Community Second Repayment Structure: [Dropdown]</p>

- | Step | Screen |
|--|--|
| 3. Take the following steps: |  <ol style="list-style-type: none"> a. Select HFA Preferred in the Community Lending Product field. b. If you are using a Community Seconds mortgage, select Yes in the Community Seconds field. Otherwise, select No. c. If you are using a Community Seconds mortgage, you must select the appropriate option from the Community Seconds Repayment Structure drop-down list. |
| 4. When you are finished entering the necessary data for HFA Preferred and other required fields on the Additional Data page, click Submit . |  |

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Common Mistakes with DU

- Incorrect selection of income type
- Incorrect selection of property type
- Incorrect selection of asset type
- Not re-submitting loan casefile when data changes
- Not obtaining ALL documentation required by DU
- Not reviewing all messages





Selling Guide Announcement SEL-2016-06

July 26, 2016

Selling Guide Updates

The *Selling Guide* has been updated to include changes to the following:

- HomeReady® Mortgage Loans

The updates are described below. The affected topics (and specific paragraphs) are noted. Lenders should review each topic to gain a full understanding of the policy changes. The updated topics are dated July 26, 2016.

HomeReady Mortgage Loans

Fannie Mae continues to assess the HomeReady product in an effort to incorporate features that enable lenders to expand access to credit in a safe and responsible manner. Last month we announced the simplification and increase of the area median income limits. This month we are announcing the second round of updates that further simplify the product offering. Lastly, we are pre-announcing additional product enhancements that are planned for later this year.

HomeReady Enhancements that are Available Now

With this Guide update, we are announcing the following changes to HomeReady:

- allowing the occupant borrower on a HomeReady loan to own other residential properties;
- removing the requirement for homeownership education for limited cash-out refinance transactions;
- eliminating the requirement for landlord education for HomeReady loans secured by two-, three, or four-unit properties (homeownership education is still required);
- deleting references to post-purchase early delinquency counseling requirements to align the post-purchase counseling requirements for all Fannie Mae conventional mortgage loan types as recently described in *Servicing Guide* Announcement SVC-2016-05; and
- accepting homeownership education from Community Seconds® or Down Payment Assistance Program (DPAP) providers as long as the providers are HUD-approved counseling agencies and the first mortgage loan involves a Community Second or DPAP.

Furthermore, we are providing an additional option for borrowers to meet the homeownership education requirement. A borrower can obtain customized one-on-one assistance from a HUD-approved nonprofit counseling agency. Such assistance will assess the borrower's current financial situation, address credit challenges, develop a workable budget, help determine whether it is the appropriate time to become a homeowner and educate the borrower on the home buying process and responsibilities of homeownership. The assistance must meet HUD standards and cover the content detailed on the *Certificate of Pre-purchase Housing Counseling* (Fannie Mae [Form 1017](#)), which must be signed by the counseling recipient (the borrower) and the HUD counselor. By signing the form, the HUD counselor certifies that the assistance provided meets HUD standards and our requirements. The lender must retain the completed Form 1017 in the mortgage loan file.

NOTE: The additional education option meets the homeownership education requirement for both HomeReady purchase transactions, and non-HomeReady loans where all borrowers are relying on nontraditional credit to qualify.

Updated Selling Guide Topics

- [B2-2-06](#), Homeownership Education and Housing Counseling (Overview, Definitions, Transactions that Require Pre-purchase Homeownership Education, Evidence of Completion)
- [B5-6-02](#), HomeReady Mortgage Loan and Borrower Eligibility (Pre-purchase Homeownership Education)



- [E-3-05](#), Glossary of Fannie Mae Terms: E

Effective Date

These policy updates are effective immediately. Desktop Underwriter® (DU®) will be updated in a future release to reflect these changes. Until that time, lenders may disregard any messages that conflict with the changes described above.

Lender Grants and Down Payment Assistance

Entities such as banks with Community Reinvestment Act requirements or other institutions with regulatory commitments to provide funds for community development purposes may be eligible to provide lender-funded grants and down payment assistance on a case-by-case basis for HomeReady loans. The assistance, however, cannot be funded through the mortgage transaction and must represent the lender's own funds.

Future HomeReady Enhancements

Later in 2016, other underwriting and eligibility updates will be available for HomeReady borrowers, including:

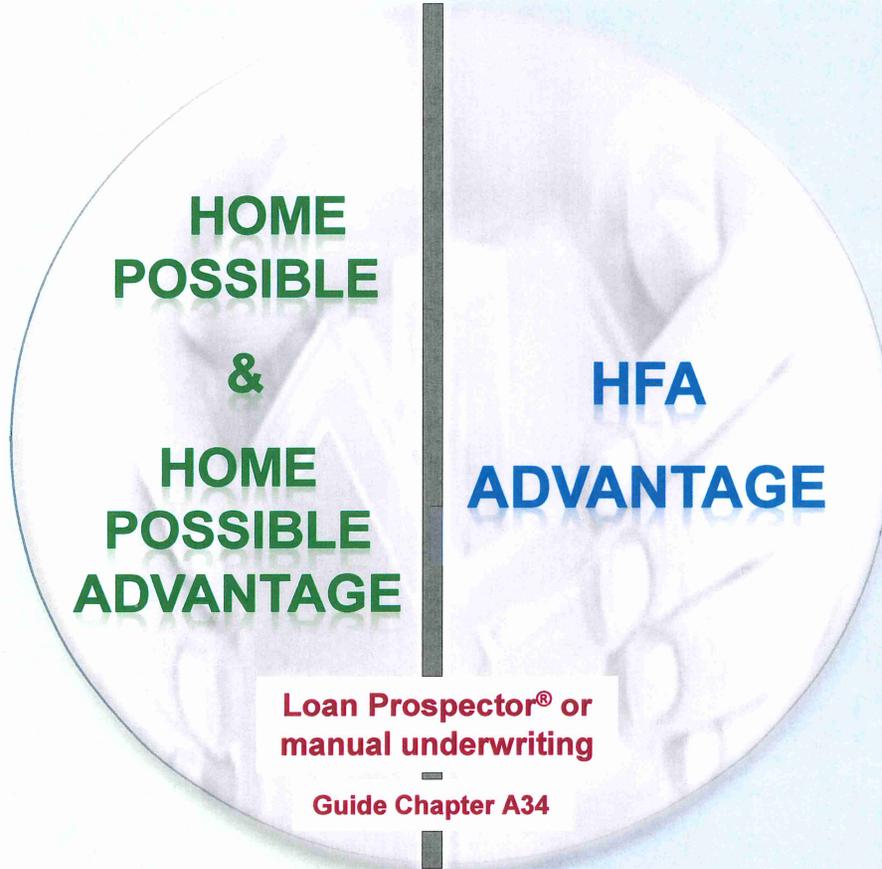
- allowing a maximum loan-to-value ratio greater than 95% up to 97% on limited cash-out refinance transactions in DU, per standard underwriting guidelines, including a requirement that the existing mortgage be owned or securitized by Fannie Mae to be eligible;
- expanding current HomeReady eligibility for buydowns and adjustable-rate mortgage loans to include three- to four-unit properties; and
- the following additional benefits exclusively for HomeReady loans where borrowers have received customized one-on-one assistance from HUD-approved nonprofit counseling agencies in accordance with the requirements outlined above:
 - if the HomeReady loan is delivered with Special Feature Code 184, the lender will receive a loan-level price adjustment credit of \$500; and
 - when the lender indicates in DU that the HUD-approved one-on-one assistance was completed, that information will be considered a compensating factor for those loan casefiles with debt-to-income ratios greater than 45% up to 50%.

The timing of these additional HomeReady features will be announced in a future Guide update and DU Release Notes.

Lenders who have questions about this Announcement should contact their Account Team.

Carlos T. Perez
Senior Vice President and
Chief Credit Officer for Single-Family

Key Features: HFA Advantage



- 97% LTV / 105% TLTV (Affordable Seconds® only)
- Purchase/No Cash-out Refinance
- First-time homebuyers, repeat buyers



- 1- unit primary residence* (Detached / attached, PUDs, Condominium)
 - All borrowers must occupy the Mortgaged Premises as their Primary Residence
- *Manufactured homes are not eligible**

- No reserves required
- Fixed Rate
- Temporary subsidy buydown (1-unit primary residence only)

No Minimum LTV

Affordable Income and Property Eligibility

Income Limits Established by HFA

Use of alternative automated underwriting system is permitted

Underwriting Path / Loan Prospector



Loan Prospector Main **Loan Application Data**

Loan File Setup

Loan Application Data Borrower: PING, JSACOMM
 Loan App #: T1234
 Mortgage Type
 Property Information Loan Prospector ID: L450177 Transaction ID: T45000251
 Purpose of Loan << Previous Save Submit Next >>
 Borrower Information
 Housing Expense
 Assets and Reserves
 Liabilities and REO
 Details of Transaction
 Declarations
 Government Monitoring
 Interview Details
 Request Services
 Assign Loan

Mortgage Type and Loan Terms

Fields marked with an asterisk are always required.

Mortgage Type *
 Amortization Months *
 Base Loan Amount * (exclude PMI, MIP, funding fee financed)
 Balloon Term (complete only if loan is a balloon)
 PMI, MIP, Funding Fee Financed
 Amortization *
 Loan Amount
 Lien Priority *
 Interest Rate *
 First Lien
 Affordable Product Type
 Temporary Subsidy Buydown?
 Offering Identifier

- Home Possible
- Home Possible Advantage
- Home Possible Advantage for HFAs (eligible users only)
- Relief Refinance - Open Access

HFA ADVANTAGE

May be...

- Submitted to Loan Prospector, or
- A Manually Underwritten Mortgage*
 - » At least one borrower must have a usable Credit Score and an Indicator Score must be established and must meet the required limits. An HFA Advantage Mortgage where none of the borrowers have a usable Credit Score is not eligible



Offering Identifier: 251 Home Possible Advantage for HFAs

*Manually Underwritten Mortgages must meet the requirements of Chapter A34 and Chapter 37, including but not limited to, the requirement that each borrower individually, and all borrowers collectively, have an acceptable credit reputation as described in Sections 37.3 through 37.7.

Note: The maximum debt-payment-to-income ratio for manually underwritten HFA Advantage Mortgages is 43%.



Loan Prospector Feedback Certificate

Loan Prospector Full Feedback Certificate

***** This loan is subject to one or more fees. Please refer to the Delivery Fees Information section of the Full Feedback Certificate for details.*****

Loan Details:

FRED SEVEN	151-31-1111
MARY SEVEN	151-32-2222
SAM SEVEN	151-32-2224
JOHN SEVEN	151-32-2225
JAMES SEVEN	151-32-2227
LP AUS Key:	02382445
AUS Transaction Number:	422474
Loan Prospector ID:	L507765
Transaction ID:	T500011825

Risk Class: Accept
Documentation Level: Streamlined Accept
Mortgage Type: Conventional

Purchase Eligibility: 000 Freddie Mac Ineligible.
Purchase Restriction: GY Seller must ensure income limit requirements are met for this Home Possible Advantage for HFA Mortgage. This Mortgage must be delivered by either the HFA, or its Master Servicer, under the required Negotiated Commitment to deliver HPA for HFAs.

RESULTS:

AUS Status:	Complete	Appraisal Type/MAF:	Form 7
Loan Processing Stage:	Application/Processing	MI Decision:	N/A
Assessment Type:	Credit Only	Accept Plus Eligible:	N
LP Version:	S2S3.0		

CREDIT REPORT INFORMATION:

Borrower	Repository	Credit S
	Experian	775

6E Affordable Product Information:

NU Loan submitted as Home Possible Advantage for HFA mortgage.

CT Secondary Financing: The secondary financing on this loan must be an Affordable Second and must meet all the requirements applicable to Affordable Seconds.

Sources of Funds



Flexible Sources of Funds

- Financing Concessions
 - » 3% LTV/TLTV ratio > 90%
 - » 6% LTV/T LTV ratio > 75% ≤ 90%
 - » 9% LTV/TLTV ratio ≤ 75%
- Premium Financing (*see next slide*)
- Unsecured Loan: Originating Lender
(Refer to Guide Section 26.6.1)

Use	Permitted Sources of Funds
Minimum Borrower contribution*	<ul style="list-style-type: none"> • Borrower Personal Funds
Down payment for purchase transaction (the difference between the purchase price and the First Lien amount)	<ul style="list-style-type: none"> • Borrower Personal Funds • Other Borrower Funds
Additional Equity if needed for a "no cash-out" refinance transaction	<ul style="list-style-type: none"> • Borrower Personal Funds • Other Borrower Funds
Closing Costs, Financing Costs, Prepays/Escrows	<ul style="list-style-type: none"> • Borrower Personal Funds • Other Borrower Funds • Flexible sources of funds
Reserves	<ul style="list-style-type: none"> • Borrower Personal Funds • Other Borrower Funds • Eligible assets, as described in Section 26.5(b)

Borrower Personal Funds

(Borrower Minimum Contribution*, if applicable)

- Depository accounts
- Loan secured by Finan Asset
- Sale of Borrower Asset
- Cash on hand
- Trust disbursement
- Pooled funds
 - Credit card charges, cash advances or unsecured line of credit to pay fees associated with the Mortgage application process (Refer to Guide Section 26.6.4)
- IDA: *include matching funds only if not subject to recapture tax*
- Rent Credits
- Trade Equity
- Community Savings deposited by the Borrower

*HFA Advantage only: LTV/TLTV/HTLTV > 95%

Other Borrower Funds

- Gifts—Related Person
- Gift/Grant: Agency or Seller (as the originating lender)
- Affordable Seconds
- Secondary Financing (Home Possible only)
- Employer Assisted Homeownership Benefit
- IDA: matching funds subject to recapture tax
- Unsecured loan: Agency/Related Person or Community Savings Systems (funds in excess of Borrowers contribution)
- Sweat equity (once 5% downpayment from personal funds has been met)

U.S. Bank Home Mortgage

Housing Finance Agency Division

Lender Bulletin

2015-08

Attn: HFA Lenders

Specific Condo Guidelines for Delegated Lenders

October 15, 2015

U.S. Bank Home Mortgage (USBHM) has additional policies and procedures for condominiums. For lenders that have been given delegated authority to underwrite individual loan files, the following is required on new loan reservations as of November 15, 2015 for loans located in a condominium project:

TIER III AND V DELEGATED LENDERS

- Lenders may underwrite loans for individual condominium units ONLY if the project has been approved by the USBHM Project Approval Department (PAD). Lender must provide one of the following:
 - Completed USBHM Certificate of Condo Review that is embedded in cell 2E within the Reviewed Project List
 - USBHM Project Approval Letter issued by PAD
 - USBHM Streamlined Eligibility Letter issued by PAD

Policies and Procedures for Condominium Submission can be located by means of the following path:

Underwriting
Condominium Project Review
Policies and Procedures

The following reviews are acceptable review processes for the HFA Programs:

1. For FHA loans, please follow the FHA Approved Condominium requirements.
2. For Fannie Mae loans, determine if the project is already Fannie Mae PERS approved:
 - a. If yes, follow the USBHM Reciprocal Review requirements
 - b. If no, determine if the project is New, Established or 2-4 Units and follow the appropriate review type as stated in Policies and Procedures. A Fannie Mae Condo Project Manger (CPM) will be run by the Project Approval Department and included with the approval letter that will be sent back to the lender.

NOTE: A CPM Approval is required under the Fannie Mae HFA requirements and projects that are listed on the Reviewed Project List may not meet the specific requirements. Each HFA loan will have to be submitted to the Project Approval Department for review of the condominium project.
3. For Freddie Mac loans, please determine if the project is already approved by the Project Approval Department:
 - a. If yes and closing must occur on or before the project approval expiration date. Complete the USBHM Certification of Condo Review that is embedded in cell 2E within the Reviewed Project List.
 - b. If no, determine if the project is New, Established or 2-4 Units and follow the appropriate review type as stated in Policies and Procedures.

All of  serving you®



This document is not a Consumer Credit Advertisement and is intended for Correspondent and Wholesale Client Use Only. This information is provided to assist Correspondents and Wholesale Clients and is not a consumer credit advertisement as defined by Regulation Z. Loans are subject to normal credit qualification and program guidelines. Not all loan programs are available in all states for all loan amounts. Interest rates and program terms are subject to change without notice. Visit usbank.com to learn more about U.S. Bank products and services. Mortgage products are offered by U.S. Bank National Association. Deposit products offered by U.S. Bank National Association, Member FDIC. ©2015 U.S. Bank

TIER IV AND VI DELEGATED LENDERS

- Responsible for all condominium warrants per Freddie Mac Seller/Servicer Guide Chapter 42, 39, 22 and 58
- **Third-Party Certification of Condominium Approval** must be submitted with each file when submitting for purchase.
- Lender certifies that the project is not an Ineligible Project as defined by USBHM Ineligible Project Types List. Lender certifies that the project is not currently listed as "Declined" on the USBHM Reviewed Project List. (Declined projects are not eligible for sale to U.S. Bank.)
- Documentation used to review project eligibility must be included in the loan file. (Please note that USBHM reserves the right to audit documentation on any loan located within a condominium project approved by the delegated lender.)
- USBHM will accept a CPM Approval from a lender that has underwritten the project as long as the following is applicable:
 1. The project is not currently listed as "Declined" on the USBHM Reviewed Project List. (Declined projects are not eligible for sale to U.S. Bank.)
 2. The loan submitted is a FNMA Product (Freddie Mac Products are not eligible for CPM)
 3. The lender has underwritten the project and has NOT submitted the project to the Project Approval Department for review.

The Reviewed Projects list can be located by means of the following path:

HFA Division Lending Guide
Underwriting
Condominium Project Review
REVIEWED PROJECTS

If you have any questions regarding the Condominium Review Process or requirements, please call 952-876-5318 or email projectapprovaldept@usbank.com. The Project Approval Department makes daily announcements for turn times on Department Voicemail. When a package is submitted to the department for review, an email will be sent within 24 hours, either confirming that a package was received or requesting additional information. If that confirmation email is not received by the lender, PAD did not receive your request and the lender should followup.

For all other questions please call the HFA Hotline at 800-562-5165 option #2.

For additional information regarding the funding and delivery of loans through the HFA Division, refer to the HFA Division Lending Guide at www.mrbp.usbank.com. From the landing page, select "U.S. Bank Lending Manuals", then "Continue". You may either need to temporarily allow pop-ups or add AllRegs as a favorite if you experience problems accessing the guide.



Revision to U.S. Bank Guidelines for Conventional Loans 95.01-97% LTV

July 20, 2016

Housing Finance Agency Division

News

GREAT NEWS!

Effective Immediately

If you were previously required to submit Conventional loans between 95.01-97% LTV to U.S. Bank for underwriting, this requirement will no longer be in effect. All HFA Division approved lenders may now underwrite Conventional loans, regardless of LTV.

The following U.S. Bank credit requirements for Conventional loans with LTVs from 95.01% to 97% will remain in effect:

- Minimum Credit Score 680
- Maximum DTI 45%
- 30 year loan terms only
- Condos are **not** eligible
- No manual underwriting

Please remember to follow a combination of U.S. Bank, Agency, and HFA program guidelines.

Also, be sure to verify any specific program requirements with your applicable HFA.

Questions

Please refer to the [HFA Division Lending Guide](http://hfa.usbank.com) (hfa.usbank.com) for information regarding the delivery and funding of loans through the HFA Division. From the home page, select "U.S. Bank Lending Manuals", then "Continue". If you experience problems accessing the guide you may need to temporarily allow pop-ups or add AllRegs as a favorite.

If you have questions regarding this Lender Operations Update, please contact the HFA Hotline at 800-562-5165, Option 2.

We appreciate your continued partnership.



Effective immediately Conventional lending just got a whole lot easier!

August 19, 2016

Minimum Credit Score Enhancement on Conventional Loans

The HFA Division is excited to announce that we have **reduced** our minimum credit score requirement!

The minimum credit score for all Conventional loans has been reduced to **640**. All HFA Division approved lenders may begin originating and underwriting Conventional loans with a minimum 640 credit score with LTV's up to 97%.

U.S. Bank credit policy for all Conventional loans requires:

- 640 minimum credit score
- 45% maximum debt to income ratio
- 30 year terms only

The minimum credit score and maximum LTV requirements remain in effect for condominiums, manually underwritten loans and Fannie Mae HFA Preferred Risk Share.

Important Reminders:

- Lenders must adhere to all U.S. Bank policies and guidelines, including the HFA Division Lending Guide, Agency, and HFA program guidelines.
- Lenders are responsible for verifying and following all HFA program specific requirements including the minimum FICO requirements for the specific program. The more restrictive FICO requirements must be followed.

Please refer to the [HFA Division Lending Guide](http://hfa.usbank.com) (hfa.usbank.com) for information regarding the delivery and funding of loans through the HFA Division. From the home page, select "U.S. Bank Lending Manuals", then "Continue". If you experience problems accessing the guide you may need to temporarily allow pop-ups or add AllRegs as a favorite.

If you have questions regarding this Lender Operations Update, please contact the HFA Hotline at 800-562-5165, Option 2. We appreciate your continued partnership.



Lender Operations Update



Attn: HFA Lenders

L-2016-006

HFA Operations Customer Care Team

March 11, 2016

Housing Finance Agency Division

News

Purpose

In this Lender Operations Update we are very excited to announce the launch of our HFA Operations Customer Care Team.

Summary

In Lender Operations Update L-2016-003, we informed you that we have consolidated our East and West Operations Teams to create one Customer Care Team to provide our lending partners with an enhanced customer experience.

Effective Date

Our Customer Care Team will officially launch Tuesday, March 15.

Our Commitment

To provide our HFA and Lender partners with favorable customer interactions, this team will:

- Respond to your questions and inquiries promptly.
- Reduce the need to communicate using multiple email addresses and telephone prompts.
- Advocate for our HFA's and Lenders.

Contact Information

You can contact our Customer Care Specialists from 7:00 AM to 5:00 PM CST. Please continue to use these email addresses until a later date when they will be merged into one. Our teams will be closely monitoring both email addresses:

- hfawestcommunications@usbank.com
- hfacommunications@usbank.com
- Telephone - 800-562-5165 Option 1

Note: The Customer Care Team is not intended to be used in place of your Deficiency Specialist for daily loan level processing.

Directory



Questions

Please refer to the [HFA Division Lending Guide](#) for information regarding the delivery and funding of loans through the HFA Division. From the home page, select "U.S. Bank Lending Manuals", then "Continue". If you experience problems accessing the guide you may need to temporarily allow pop-ups or add AllRegs as a favorite.

If you have questions regarding this Lender Operations Update, please contact the HFA Hotline at 800-562-5165, Option 2.

We appreciate your continued partnership.



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