



# Seller Guide Update



SEL-2025-055: Multiple Topics

December 5, 2025

- ☒ Correspondent Lending
- ☒ Housing Finance Agency (HFA)

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## Summary



### U.S. Bank Correspondent Seller and HFA Lending Guides

The items listed above have recently been updated in the Correspondent Seller and HFA Lending Guides, specific to Loan Delivery, Underwriting and Credit Policy.

- 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 Correspondent Seller and HFA Lending Guides are included in each section. This communication serves to announce changes and updates including an effective date. Please note that text in **orange** denotes a U.S. Bank overlay, and text in **brown** denotes a U.S. Bank clarification.
- 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 always be utilized as the source of truth.
- As a reminder, U.S. Bank publishes a monthly summary of all Correspondent and HFA communications published for the previous month. This summary is intended to assist you in making sure your organization received and read all U.S. Bank communications published during the prior month. All documents are published in our Correspondent and HFA Communications libraries in Section 1000 of AllRegs:
  - 1010: Bulletins
  - 1011: Seller Guide Updates
  - 1012: Best Practices
  - 1013: Pricing Flashes

## Underwriting, Delivery, and Product Grids

For overall ease of use, we have enhanced our communications to include underwriting and delivery method checkboxes to each section when applicable.

You'll also find grids that outline the applicable products.

## Effective Date

Immediately unless otherwise noted within each section.



## Work Completion Escrows

Underwriting/Delivery	
X	Corr. Delegated
X	Corr. Non-Delegated
	Corr. EZD
X	Corr. Mandatory
	HFA Delegated
X	HFA Non-Delegated
Products	
X	Conv. (Freddie)
X	Conv. (Fannie)
X	Conv. (Portfolio)
	FHA
	VA
	Rural Development

## Reminder: Revised Maine MERS Assignment

Underwriting/Delivery	
X	Corr. Delegated
X	Corr. Non-Delegated
X	Corr. EZD
X	Corr. Mandatory
X	HFA Delegated
X	HFA Non-Delegated
Products	
X	Conv. (Freddie)
	Conv. (Fannie)
	Conv. (Portfolio)
	FHA
	VA
	Rural Development

**Effective Date:** Immediately

U.S. Bank is making the following changes to our Conventional Work Completion Escrow requirements:

### Transactions and Property Types

U.S. Bank will now allow Work Completion Escrows on second homes.

### Time Allowed to Complete Work

U.S. Bank will allow repairs to be completed in the following times frames:

- Exterior improvements should be completed no more than **90 days** after closing (weather permitting).
- Interior improvement to be completed no more than **45 days** (currently 30 days) after closing.

### Dollar Amount Requirements *(Correspondent Portfolio Only)*

The maximum amount of the escrow will be increased to not exceed the lesser of 10% of the 'as completed' value of the mortgaged premises or the dollar amount cap which is increasing to \$100,000.

**Guide Updates:** Agency – Overlay and Clarification Matrix, 713.25 Agency – Work Completion Escrows, 714.01.09 Portfolio – Property

**Effective Date:** Mandatory use with loans secured by properties located in Maine with a MERS Assignment executed on or after January 1, 2026.

As a reminder, Freddie Mac recently communicated the following change in their [News and Updates](#) content:

### Revised Maine MERS Assignment

Freddie Mac has updated the Maine MERS Assignment (Form 3749 07/2021) to align with the MERS Rule 2 revisions, as outlined in Exhibit A. The revised Maine MERS Assignment tagline will show a version date of (Form 3749 07/2021 (rev. 07/25)).

### Loan Deliveries

Loans delivered after January 1, 2026, that do not use the updated version of the form will be conditioned for the corrected documentation. As some document prep vendors have already implemented the form, either form may be used until the effective date above.

**Guide Update:** C. Funding Documentation Requirements

## Reminder: Loan Product Advisor® (LPA®) Release Notes

Underwriting/Delivery	
X	Corr. Delegated
X	Corr. Non-Delegated
X	Corr. EZD
X	Corr. Mandatory
X	HFA Delegated
X	HFA Non-Delegated
Products	
X	Conv. (Freddie)
	Conv. (Fannie)
	Conv. (Portfolio)
	FHA
	VA
	Rural Development

As a reminder, and as published in **SEL-2025-036** (9/12/25), Freddie Mac recently published their [Loan Product Advisor® \(LPA®\) Release Notes](#) which provided updates on LPA enhancements to help you streamline the way you work and offer a summary of feedback messages.

Among the updates included, we wanted to call special attention to the following as it will impact both pre- and post-closing submissions to LPA:

### Invalid LP Key Banner Message – Effective September 8

As part of Freddie Mac's risk assessment updates, when applicable, LPA will display a new banner notification on the feedback certificate to remind users that the LP Key of the transaction will no longer be valid after March 7, 2026.

The screenshot shows the Freddie Mac Loan Product Advisor Feedback Certificate. At the top, there is a warning message: "The LP Key Number AB689336 can no longer be submitted after March 7, 2026. A new transaction and key can be created now or after it expires by removing the existing LP Key Number and submitting as a new transaction." Below this, the "Assessment Summary" section is visible, showing the Borrower Name as JOHN FREDDIE. To the right, under "Affordable Product Information", the Area Median Income is \$103,900.00 and the Area Median Income (%) is 61.81%. At the bottom, the Risk Class is ACCEPT and Purchase Eligibility is ELIGIBLE. The LP Key Number is AB689336 and the Number of Submissions is 01.

### Loan Review and Purchase Deadline

U.S. Bank will begin to review for the Invalid LPA Key Banner message **beginning December 1, 2025**. If the message is present, a condition will be applied advising that due to the presence of the message, the loan **must be purchased by January 20, 2026**. If a loan cannot be closed, delivered to and purchased by U.S. Bank by January 20, 2026, a new LPA Key Number (ran prior to closing) **must be obtained**.

### Freddie Mac Outreach Encouraged

Lenders are strongly encouraged to reach out to Freddie Mac should you wish to acquire additional pipeline details, and to review the full [LPA Release Notes](#).

## 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.