Seller Guide Update

SEL-2026-022: Agency Underwriting Changes

June 26, 2026

☒ Correspondent Lending
☒ Housing Finance Agency (HFA)

Table of Contents

The following topics are included in this update:

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.
- 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.

Agency Underwriting Changes

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)
X	Conv. (Fannie)
	Conv. (Portfolio)
	FHA
	VA
	Rural Development

U.S. Bank is announcing the recent updates to Agency Guidelines impacting the following:

- Authorized user tradelines
- Retirement of rural high-needs value acceptance
- Non-self-employed income characteristics

Authorized user tradelines
Fannie Mae has updated the Selling Guide to clarify the treatment of authorized user tradelines for loans that receive a DU Approve/Eligible recommendation. For these loans, Underwriters are not required to perform any additional investigation into the borrower's credit history unless instructed by DU.

Requirements for manually underwritten loans remain unchanged. Lenders must continue to follow existing Selling Guide requirements.

The authorized user tradeline message issued in DU will be updated to reflect this clarification for DU Version 12.1 loan casefiles submitted or resubmitted on or after the evening of June 26, 2026.

Non-self-employed income characteristics
Freddie Mac has expanded their guidelines for guaranteed payments from partnerships as follows:

- Requirements for history of receipt for non-self-employed borrowers receiving guaranteed payments for services from a partnership (Schedule K-1). A history of receipt of less than one year may represent stable monthly income provided the following requirements are met:
  - The guaranteed payments are from a professional services partnership (e.g., accounting firm, law firm)
  - Borrower recently changed from an employee to a partner in the same firm with a nominal (e.g., 0.01%, 2%) ownership interest
  - The guaranteed payments and ownership interest are documented with at least the most recent year-to-date (YTD) earnings and payment amount (e.g., YTD paystub or equivalent), K-1 (if applicable) and partnership agreement

- When the history of receipt is less than two years, the employment history and documentation requirements described in Guide Sections 5303.1(b) and 5303.1(c) apply to the previous employed income.
- FAQs related to non-self-employed Borrower business ownership interests have been updated. FAQs are not a part of, or a substitute for, the Guide or other Purchase Documents.
- Freddie Mac has updated the title to specify that these requirements are intended for non-self-employed Borrowers.

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.