

BULLETIN

2014-00



MRBP OPERATIONS
HOME MORTGAGE

Date: January 6, 2014

Loan Purchase Review Update

U.S. Bank Home Mortgage MRBP Division is enhancing our loan purchase review process to include most all standard loan file documentation. In the past we have asked lenders to provide us with the entire credit/underwriting package. Audits on purchased loan files have shown that standard underwriting items such as pay stubs and bank statements have been missing from loan files. This type of missing documentation is causing audit failures and repurchase demands from agencies such as Fannie Mae and Freddie Mac.

In order to assist in identifying potential missing documents, and help eliminate the possibility of a loan being repurchased, U.S. Bank will be implementing the use of new file delivery checklists for all Housing Finance Agency loans being purchase by US Bank. The new loan delivery checklists will be available through our online Lending Guide/Lender Manual starting January 8, 2014.

For loans received for purchase on or after January 10, 2014, our review process will include the examination of all required items in the credit file. Below are examples of items that will be added to our current review process;

- 1) Asset Verification for all borrowers, as required by the underwriting approval (i.e. bank statements, VODS, etc...).
- 2) Most recent paystub(s) as required by the underwriting approval for all employed borrowers from all employers.
- 3) Most recent W-2 (s) or SSA-1099 (s) as required by the underwriting approval for all borrowers and all employers.
- 4) IRS Tax Transcripts for all borrowers (as of last filing year).
- 5) Current IRS tax returns for all borrowers including all pages and schedules along with signature(s) on page 2 as required by the underwriting approval.
- 6) All required underwriting and closing documentation for any source of Down Payment Assistance Program, grants, second mortgages, etc. which includes all required Agency (FHA, VA, RD, etc) documentation.
- 7) If gift funds are used, proof of existence of funds within donor account, gift Letter, and proof of transfer to borrower as required by the underwriting approval.
- 8) Proof of Homebuyer's Education documentation signed by borrower(s), if applicable per the loan product guidelines.
- 9) Closing Protection Letter or Final Title Policy for subject property.



EQUAL HOUSING LENDER This information is not intended to extend consumer credit as defined by section 226.2 of Regulation "Z". Interest rate, program terms and conditions are subject to change without notice. Not all products are available in all states and for all loan amounts. Other restrictions and limitations may apply. Granting of loan is subject to program guidelines. 02/2008

****Please respond by fax if you do not want to continue to receive this information. Fax request to: 800-476-5584**

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MRBP OPERATIONS
HOME MORTGAGE

Date: January 3, 2014

Loan Purchase Review Update

FHA Miscellaneous Required Documents:

- 1) Real Estate Certification and Amendatory Clause signed and dated by all borrower(s) and seller(s). Must be signed prior to closing, cannot be signed same day as closing.
- 2) Conditional Commitment signed by U/W including FHA Case number for subject property with all listed conditions cleared.
- 3) The FHA Loan Underwriting Transmittal including the CAIVRS Authorization number with the LDP/GSA section marked appropriately.
- 4) FHA New Construction required Documentation:

If 'Subject to Completion', the following fully-executed documents are required:

- HUD 92544 Warranty of Completion of Construction.
- HUD 92541 Builder's Certification.
- Builder's Permit and Certificate of Occupancy or 10 year warranty.
- Final Inspection by appraiser.
- Termite Report/Wood Destroying insect report/Soil Guarantee.

We look forward to working with you in order to facilitate the reduction of many post purchase audit findings, as well as repurchases from agencies such as Fannie Mae and Freddie Mac.



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