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Agency Properties with Solar Panels Revisions

Truist Bank (Truist) revises Agency non-AUS and Desktop Underwriter[®] (DU[®]) guidelines to align with recently announced Fannie Mae updates related to properties with solar panels.

Effective Dates

These updates are effective immediately for existing and new loan applications on or after October 9, 2020.

Background Information

Fannie Mae SEL-2020-04 announced revisions related to mortgages secured by properties with solar panels. In response to this publication, we reviewed impacted guidelines and implemented revisions to align with Fannie Mae requirements.

Bulletin Details

Properties with Solar Panels

For non-AUS and DU loans, we align with Fannie Mae and revise guidance for mortgages secured by properties with solar panels to:

- clarify requirements based on the specific financing structure used for the purchase of the solar panels
 - when the solar panels are financed and collateralized as fixtures to the subject property real estate, the debt-to-income (DTI) ratio calculation must include any associated payment for financing, and the amount of any financing must be included in the TLTV ratio calculation
 - when the solar panels are financed and collateralized separately from the subject property real estate, the DTI ratio calculation must still include any associated payment for the financing, but the TLTV ratio calculation does not need to include the financing amount
- remind lenders of their responsibility to ensure that the presence of solar panels does not impede the first lien position of the mortgage
- specify that appraisers may supplement the Sales Comparison Approach section of the appraisal report in evaluating any value impact of solar panels (and other energy efficiency improvements) with either the income or cost approach

Before and After Matrix

[Click here](#) to see the before and after matrix that provides a detailed overview of these updates.

Revised Materials

Click [Appraisal Guidelines](#) and [Agency Loan Programs](#) to review the revised product materials.

Former Guidelines

See the before and after matrix provided in the Bulletin Details section of this bulletin to access the former guidelines.

Product Release

Information for Correspondent Lenders of Truist Bank
October 9, 2020 • COR20-050



Other Resources

Support Group	Description and Contact Information:
Correspondent Relations Coordinator	Specific questions on applying this procedure to specific loan files. Contact Correspondent Relations Coordinators at 800.382.2111, Option 1.
Product Support	Provides phone and email support on products, policies, and procedures as well as new product rollout and existing product enhancement. Contact Product Support at 800.382.2111, option 3.

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