

Product Release

Information for Correspondent Lenders of Truist Bank
May 7, 2021 • COR21-026



Alert

Update

Reminder

Clarification

Training
Information

Preview

Upcoming Agency 5/5 CMT ARM Retirement

Truist Bank (Truist) announces the upcoming retirement of the Agency 5/5 Constant Maturity Treasury Securities (CMT) adjustable rate mortgage (ARM) loan product.

Effective Dates

- The 5/5 CMT ARM product will retire effective June 30, 2021
- All 5/5 CMT ARM loan applications must be dated on or before June 30, 2021
- All 5/5 CMT ARM loans must be purchased by Truist on or before July 30, 2021

Background Information

Fannie Mae Lender Letter LL-2021-05 and Freddie Mac Bulletin 2021-4 announced that the GSEs will no longer acquire ARM loans that use the CMT index and will be retiring all CMT ARM plans later this year. In response to these publications, we take the opportunity to provide this heads-up notification to ensure that your pipeline of Agency 5/5 CMT ARM loans comply with Fannie Mae and Freddie Mac's application cut-off and delivery date requirements.

Bulletin Details

Agency 5/5 CMT ARM Retirement

The Agency 5/5 CMT ARM loan product will retire effective June 30, 2021. Agency loan programs impacted by this retirement include the following:

- Standard Agency
- Agency Plus
- HomeReady[®]
- Home Possible[®]

Application Date and Purchase Deadlines

All Agency 5/5 CMT ARM loan applications must be dated on or before June 30, 2021. Additionally, to meet Fannie Mae and Freddie Mac's delivery date requirements, we are imposing a July 30, 2021 purchase (by Truist) cut-off date.

Note: The above July 30, 2021 purchase (by Truist) cut-off date also applies for all Agency HomeStyle Renovation[®] and CHOICERenovationSM CMT ARM loans. Additionally, as a reminder, all renovation work must be completed when the loan is delivered to Truist for purchase.

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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