

# Product Release

Information for Correspondent Lenders of Truist Bank  
December 3, 2021 • COR21-063



Alert

**Update**

Reminder

Clarification

Training  
Information

Preview

## Homeownership Education and Counseling Providers and Other Agency Revisions

Truist Bank (Truist) announces the upcoming allowance of any qualified third-party provider, independent of the lender, to administer homeownership education and counseling for standard Agency and HomeReady® non-AUS and Desktop Underwriter® (DU®) loans. With this update, the sole use of Framework® will no longer be required and Framework will no longer be free. Additionally, Fannie Mae will begin offering their own free proprietary course called Fannie Mae HomeView™ to meet homeownership education requirements.

We also revise factory-built housing (modular, prefabricated, panelized, or sectional housing) non-AUS and DU guidelines to include references to the International Residential Code.

### Effective Dates

- **December 3, 2021:** Factory-built housing guideline update is effective immediately for existing and new loan applications on or after December 3, 2021.
- **December 31, 2021:** Lenders must continue to use the Framework online education program for courses completed on or before December 31, 2021 (unless an allowable exception applies). See currently published guidelines for a listing of allowable exceptions.
- **January 1, 2022:** Homeownership education and counseling providers updates are effective for courses completed on or after January 1, 2022.
- **January 3, 2022:** Fannie Mae launches HomeView, their new proprietary homeownership education course, at no charge.

### Background Information

Fannie Mae SEL-2021-09 announced updates regarding homeownership education and counseling providers and factory-built housing. In response to this publication, we reviewed impacted guidelines and identified the need to implement revisions to align with Fannie Mae requirements.

### Bulletin Details

#### Homeownership Education and Counseling Providers

Beginning with courses completed on or after January 1, 2022, we align with Fannie Mae and will permit the use of other qualified third-party providers (in addition to Framework) to administer homeownership education and counseling for standard Agency and HomeReady non-AUS and DU loans. The third-party provider must be independent of the lender and the provider's content must be aligned with the National Industry Standards (NIS) for Homeownership Education and Counseling or with the U.S. Department of Housing and Urban Development (HUD) Housing Counseling Program, or provided by a HUD-approved counseling agency. With this update, housing counseling will also be permitted to occur after the execution of the sales contract, but prior to closing.

#### Notes:

- To support this change, Fannie Mae is updating the homeownership education messages in DU this weekend, December 4th, ahead of their January 1, 2022 effective date. However, it is imperative to continue to follow the guidance outlined in this bulletin regarding the use of the Framework online education program for courses completed on or before December 31, 2021, to ensure the marketability of these loans to Fannie Mae.
- Starting January 1, 2022, the Framework online education program will no longer be free, but continues to be an eligible source of homeownership education.
- Starting January 3, 2022, Fannie Mae will launch their own free proprietary course called Fannie Mae HomeView at [www.fanniemae.com/education](http://www.fanniemae.com/education).

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## Bulletin Details, continued

### Homeownership Education and Counseling Providers, continued

The tables below provide a summary of the changes to the homeownership education and housing counseling requirements that will apply for courses completed on or after January 1, 2022, with a comparison to existing requirements. See the attached Before and After Matrix for full details.

HOMEOWNERSHIP EDUCATION		
Topic	Existing Requirements	Revised Requirements
Eligible Provider	<ul style="list-style-type: none"> <li>Framework Homeownership, LLC; or</li> <li>Education course provided by a Community Seconds or other down payment assistance program provider, where the program requires its own homeownership education or counseling provided by a HUD-approved counseling agency</li> </ul>	<ul style="list-style-type: none"> <li>Any qualified third-party provider, independent of the lender; which can include a mortgage insurance company (without regard to whether they provide mortgage insurance coverage for the particular transaction)</li> <li>Education course provided by a Community Seconds or other down payment assistance program provider, where the program requires homeownership education or counseling provided by a HUD-approved agency</li> </ul>
Required Documentation	<ul style="list-style-type: none"> <li>Certificate of Course Completion from Framework (or alternate provider based on Framework referral, if applicable); or</li> <li>Certificate of completion from provider</li> </ul>	Certificate of course completion from the provider

HOUSING COUNSELING		
Topic	Existing Requirements	Revised Requirements
Date Required for Completion	Prior to execution of the sales contract	Prior to loan closing
Required Documentation	<p><i>Certificate of Completion of Housing Counseling</i> (Fannie Mae <a href="#">Form 1017</a>), signed by both the counseling recipient and the HUD counsellor</p> <p><b>Special Feature Code Requirement for HomeReady Loans Only:</b> Use SFC 184 to identify loans where at least one borrower completed housing counseling prior to the execution of the sales contract.</p>	<ul style="list-style-type: none"> <li>If after execution of the sales contract but prior to closing, certificate of course completion from the provider.</li> <li>If prior to execution of the sales contract, <i>Certificate of Completion of Housing Counseling</i> (Fannie Mae <a href="#">Form 1017</a>) signed by both the counseling recipient (borrower) and the HUD counselor.                             <ul style="list-style-type: none"> <li><b>Special Feature Code Requirement for HomeReady Loans Only:</b> Use SFC 184 to identify loans where at least one borrower completed housing counseling <b>prior to the execution</b> of the sales contract.</li> </ul> </li> </ul> <p><b>Note:</b> When at least one borrower completes the housing counseling <b>after execution</b> of the sales contract but prior to closing, no SFC is required (This guidance applies for standard Agency and HomeReady loans).</p>

### Factory-Built Housing: Modular, Prefabricated, Panelized, or Sectional Housing

Several years ago, the International Residential Code replaced the Uniform Building Code. We align with Fannie Mae and update factory-built housing non-AUS and DU guidelines to remove references to the Uniform Building Code and to incorporate references to the International Residential Code.

### Before and After Matrices

- [Click here](#) to see the before and after matrix that provides a detailed overview of the factory-built housing update.
- [Click here](#) to see the before and after matrix that provides a detailed overview of the homeownership education and housing counseling updates.

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## Bulletin Details, continued

### Revised Materials

- **Factory-Built Housing: Modular, Prefabricated, Panelized, or Sectional Housing Guideline Update**
  - Click [Agency Loan Programs](#) to review the revised product material.
- **Homeownership Education and Counseling Providers Updates**
  - We will publish the following revised product descriptions, reflecting updates to support the changes outlined in this bulletin, on December 31, 2021:
    - Agency Loan Programs
    - Fannie Mae HomeReady® and Freddie Mac Home Possible® Mortgages

### Former Guidelines

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

### 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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