

Alert

Update

Reminder

Clarification

Training
Information

Preview

Expansion of Financed Properties for Correspondent Lending Key Loan Program

Truist Bank (Truist) takes the opportunity to expand the maximum number of financed properties and borrower exposure guidelines under the Key Loan Program. The expansion permits an unlimited number of financed properties when the subject property is a primary residence and permits a maximum of six (6) financed properties when the subject is a second home. As a result of these updates, we revised the Key Loan Program guidelines in our *Correspondent Seller Guide*.

Effective Dates

The revised guidelines are effective with existing and new loan applications on or after May 6, 2022.

Background Information

In an effort to remain competitive in the marketplace and provide underwriting guidelines that are viewed as market neutral, Truist is relaxing the underwriting guideline requirements for the maximum number of financed properties and borrower exposure allowed under the Key Loan Program.

Bulletin Details

Maximum Number of Financed Properties

Primary Residences/Second Homes:

- For primary residence transactions, the number of financed properties is unlimited.
- For second home transactions, the number of financed properties is limited to six (6) and is combined for all borrowers on the loan to determine the total number of financed properties, regardless of whether or not the borrowers are married. It is not acceptable to calculate the total number of financed properties by each individual borrower.

Maximum Dollar Exposure

To mitigate risk, Truist limits the total number of loans available to an individual borrower and the outstanding dollar total of loans held by Truist. Loans to one (1) borrower are restricted in order to limit exposure to Truist.

- Additionally, the guidelines outlined below apply to Key Program and Jumbo Solution Second Mortgage loan programs:
 - Maximum total exposure of \$3 million dollars on all Truist balance sheet (Portfolio) loans (Portfolio is defined as any real estate secured loan in which the Note is owned by Truist).
 - Only two (2) loans on the Truist balance sheet can be for an investment property.
 - Home equity lines/loans originated and serviced by Truist Bank must be included in the \$3 million dollar total.
 - Exposure is calculated on the existing loan balance for closed end loans and the high credit limit for open end lines of credit (HELOCs).
 - Truist loans in process must be included in the maximum total exposure.

Product Release

Information for Correspondent Lenders of Truist Bank
May 6, 2022 • COR22-016



Bulletin Details, continued

Reserves Requirements

Follow the loan product guidelines for LTVs, credit score, reserve, etc. requirements. If the borrower owns multiple financed properties, additional reserves of 2 months PITIA are required for each additional financed property owned regardless of occupancy type for the subject

Before and After Matrix

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

Revised Material

Click [Maximum Number of Financed Properties and Borrower Exposure](#) and [Key Loan Program](#) and Key Loan Program Eligibility Checklist ([COR 0650](#)) to review the revised material.

Former Guidelines

Previously, the maximum number of financed properties was limited to four (4), which included all properties where the borrower was personally obligated on the mortgage.

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.

This information is for use by mortgage professionals only and should not be distributed to or used by consumers or other third parties. This is not for solicitation of sales. Information is accurate as of date of posting and is subject to change without current product details and lending procedure. Truist Bank does not guarantee or assume liability for any third-party products or services. Truist Bank is an Equal Housing Lender. ©2020 Truist Financial Corporation. SunTrust, Truist, and the BB&T|SunTrust now Truist logo are service marks of Truist Financial Corporation. All rights reserved.