

Alert

**Update**

Reminder

Clarification

Training  
Information

Preview

## Agency Temporary Buydown Revisions

Truist Bank (Truist) announces revisions to Temporary Buydown eligibility for products offered by Fannie Mae and Freddie Mac.

### Effective Dates

The updates are effective with new loan applications for Best Efforts Commitments on or after March 13, 2023. Mandatory Commitments will be eligible at a later date.

### Background Information

On November 3, 2022, Truist advised Correspondent lenders that temporary buydowns were suspended for Agency loan products. With this update, Truist is reinstating temporary buydown eligibility and has made modifications to our Agency Standards.

### Bulletin Details

#### Eligibility for Temporary Buydowns

Temporary interest rate buydowns are now permitted for fixed-rate mortgages and certain ARM plans for primary residences or second homes. The rate reduction must not exceed 2%, and the rate increase will not exceed 1% per year for 2 years. Significant or Extended Temporary Buydowns (e.g., 3-2-1 or 1-1-1) are not eligible at this time.

#### Before and After Matrix

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

#### Revised Materials

Click [Correspondent Agency Overlay Matrix](#), [Agency Loan Standard](#), [The ARM Alternative Standard](#) and the [CorrAdvantage Standard](#) to review the revised product materials.

#### Former Standards

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

## 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. ©2023 Truist Financial Corporation. All rights reserved.