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Preview

Updated Declining Market Index for the Key Loan Program

Truist Bank (Truist) announces updates to the Declining Market Index for the Key Loan Program.

Effective Dates

Effective for new loan applications on or after March 01, 2024.

Background Information

The Truist Declining Market Index is published quarterly or as necessary, based on valuation shifts in the housing market. The Declining Market Index defines which level of LTV/TLTV reduction is necessary for both the first mortgage and the Truist second mortgage based on the state, geography, and MSAs. Correspondent lenders must review this list and apply the Truist Declining Market Standards and the required LTV/TLTV reductions to the transaction. Truist reserves the right to change this listing at any time.

Reminders:

- If the property is deemed to be in a declining market as noted by the appraiser, but the area in which the property is located is NOT reflected on the Truist Declining Market Index, a 5% reduction to the LTV/TLTV will be required.
- For certain Truist-to-Truist rate/term refinance transactions, the declining markets LTV/TLTV reduction is waived. For details about this waiver, refer to the Declining Markets section within the Appraisal Requirements of Section 2.06 Key Loan Standard.

Bulletin Details

Truist Declining Market Index Updates

The Truist Declining Market Index now includes the following:

- With this update Truist is adding a 10% LTV reduction in the newly identified Lake Charles, LA MSA.
- With this update Truist is removing all LTV reductions in the following 18 MSAs:
 - Lake Havasu City-Kingman, AZ MSA
 - Phoenix-Mesa-Scottsdale, AZ MSA
 - Chico, CA MSA
 - Sacramento-Roseville-Arden-Arcade, CA MSA
 - Santa Cruz-Watsonville, CA MSA
 - San Francisco-Oakland-Hayward, CA MSA
 - San Jose-Sunnyvale-Santa Clara, CA MSA

Bulletin Details, continued

- Stockton-Lodi, CA MSA
- Vallejo-Fairfield, CA MSA
- Yuba City, CA MSA
- Boise City, ID MSA
- Pocatello, ID MSA
- Hammond, LA MSA
- Las Vegas-Henderson-Paradise, NV MSA
- Reno, NV MSA
- Austin-Round Rock, TX MSA
- St. George, UT MSA
- Seattle-Tacoma-Bellevue, WA MSA

Revised Material

Click [Declining Market Index](#) to review the revised product material.

Former Standards

Previously the Declining Market Index had no MSAs with the 20% LTV/TLTV reduction, 1 MSA with the 5% LTV/TLTV reduction, 1 MSA with the 15% LTV/TLTV reduction, and 16 MSAs with the 10% LTV/TLTV reduction.

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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