

Alert

Update

Reminder

ClarificationTraining
Information

Preview

Asset and Other Standards for the Key Loan Program

Truist takes the opportunity to update and clarify certain Underwriting Standards, focused on assets and liabilities.

Effective Dates

Effective for new locks on or after August 02, 2024.

Background Information

On July 12, 2024, Truist updated its Portfolio Underwriting Standard to narrow the distinctions between Truist standards and GSE Selling Guides, Government Handbooks, and the rest of the market. To ensure clarity and efficiency for lenders, the standards are being further updated.

Bulletin Details

Retirement Funds

The standard for Retirement Funds is updated to add the following:

- To verify the borrower(s) vested funds in a retirement account, obtain a complete copy of the most current retirement account statement identifying the borrower's vested amount and the terms and conditions for loans or the withdrawal of funds.
- When used for the down payment or closing costs, if the value of the combined asset(s) is at least 20% more than the amount of funds needed for the down payment and closing costs, no documentation of the borrower's actual receipt of funds realized from the sale or liquidation is required.

Stocks, Stock Options, Mutual Funds

The standard for Stocks, Stock Options, and Mutual is updated to clarify that if the combined value of the asset(s) is at least 20% more than the amount of the funds needed for the down payment or closing costs, no documentation of the borrower's actual receipt of funds realized from the sale or liquidation is required.

Bulletin Details, continued

Liabilities

The liabilities standard is updated to clarify that if a liability calculation is not addressed in the specific subsequent liability topic, utilize 1% of the outstanding balance in the following scenarios:

- If no payment exists on the credit report and documentation cannot be evidenced to show a payment, or
- subsequent Liabilities topics (e.g., Student Loans, etc.) outlined within this document do not address unusual payment structures (e.g., balloon payments, negative amortization, etc.).

Before and After Matrix

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

Revised Material

Click [Key Loan Standard](#) and [Key Loan Eligibility Checklist \(COR 0650\)](#) to review the revised product material.

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 Relationship Coordinator	Specific questions on applying this procedure to specific loan files. Contact your Correspondent Relationship Coordinator 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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