

Alert

Update

Reminder

Clarification

Training
Information

Preview

Extension of Agency VLIP Credit

Truist Bank (Truist) announces the extension of the Fannie Mae and Freddie Mac Very Low-Income Purchase (VLIP) Mortgage Credit.

Effective Dates

- The extension of the Agency VLIP credit is effective with new locks on or after February 06, 2026.
- All loans with the VLIP credit must be purchased by Truist on or before January 15, 2027.***

Background Information

With [COR25-070](#), Truist announced the retirement of the Very Low-Income Purchase (VLIP). On 1/28/2026, Fannie Mae LL 2024-01 (updated 1/28/2026) and Freddie Mac Guide Bulletin 2026-A announced the extension of the \$2,500 Very Low-Income Purchase (VLIP) credit aimed at supporting very low-income, first-time homebuyers.

Bulletin Details

Extension of Agency Very Low-Income Purchase (VLIP) Mortgage Credit

To be eligible for the \$2,500 Home Possible VLIP Mortgage Credit, all of the following must be met:

- Must be a Home Possible® or HomeReady® purchase mortgage.
- At least one borrower must be a first-time homebuyer.
- Total qualifying income must be ≤ 50% of applicable AMI for the property location.
- The full \$2,500 credit must be applied to down payment and/or closing costs and the credit may be used to satisfy the 3% minimum borrower contribution, subject to property and LTV rules.
- Special Feature Code (SFC) requirement:** Loans using the VLIP Credit must be delivered with SFC K10 for Home Possible loans, or SFC 900 for HomeReady Loans.

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.

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. ©2024 Truist Financial Corporation. Truist, Truist Purple and the Truist logo are service marks of Truist Financial Corporation. All rights reserved.