

Alert

Update

Reminder

Clarification

Training Information

Preview

Agency VLIP Credit Correction

Truist Bank (Truist) provides corrected guidance for 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 [COR26-009](#), Truist announced an extension of the Very Low-Income Purchase (VLIP) program but identified an incorrect SFC for HomeReady loans. HomeReady loans receiving the VLIP credit must be delivered with **SFC 884**, while Home Possible loans must be delivered with **SFC K10**. All other eligibility and delivery requirements remain unchanged.

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 884** 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.

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