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## New Construction Escrow Holdbacks for the Key Loan Program

Truist Bank (Truist) is taking the opportunity to update the New Construction Escrow Holdback guidance for the Key Loan Program.

### Effective Dates

Effective for existing and new locks on or after June 05, 2026.

### Background Information

Truist allows escrow holdbacks on new construction loans for its Key Loan programs to accommodate certain instances when items are incomplete at closing. Currently, the escrow holdback timeframes are inconsistent with market norms. Truist is updating the construction escrow guidance by expanding escrow holdback periods and winter month timelines.

### Bulletin Details

#### New Construction Escrow Holdback Updates

Truist updates the Key Loan Standard for New Construction Escrow Holdbacks as follows (refer to the Before & After for complete details):

- Updates include escrow holdback guidance for eligible internal and external property improvements.
- This update adds that the expiration date for escrow completion is 60 calendar days from the closing date, except during the inclement weather months of November through March for which the expiration date may be up to 120 calendar days from the closing date, not to exceed June 30th.
- When the expanded period of 120 days is used during inclement weather months, a letter must be attached to the Escrow Agreement for Postponed Improvements (COR 0016) to document the rationale for the elongated period.
- The exclusion of the winter months/inclement weather exclusions for Septic Repairs/Replacements in the state of Massachusetts has been removed.

**Note:** Escrows for swimming pools are not allowed.

#### Before and After Matrix

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

## Bulletin Details, continued

### Revised Material

Click the [Completion Escrow Standard](#) 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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