

Product Release

Information for Correspondent Lenders of Truist Bank
February 12, 2021 • COR21-007



Alert

Update

Reminder

Clarification

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Preview

Agency Guideline Revisions

Truist Bank (Truist) revises Agency non-AUS and Desktop Underwriter® (DU®) product guidelines as a result of recently announced Fannie Mae updates. With these updates, we align with Fannie Mae and revise guidelines related to the following:

- retirement, government annuity, and pension income
- employment-related assets as qualifying income

Effective Dates

All updates are effective immediately for new loan applications on or after February 12, 2021.

Background Information

Fannie Mae SEL-2020-07 announced updates impacting retirement, government annuity, and pension income and employment-related assets as qualifying income guideline requirements. In response to this publication, we reviewed impacted guidelines and identified the opportunity to implement revisions to align with Fannie Mae requirements.

Bulletin Details

Retirement, Government Annuity, and Pension Income

For non-AUS and DU loans, we revise retirement, government annuity, and pension income requirements by:

- Adding financial and bank account statements to the list of eligible documents to show current receipt of income
- Specifying that income from a pension or annuity account, when the income will begin on or before the first payment date of the new loan, must be documented with a benefit statement from the organization providing the income. The statement must specify the income type, amount and frequency of the payment, and include confirmation of the initial start date.
- Allowing eligible retirement account balances from a 401(k), individual retirement account (IRA), or Keogh retirement account to be combined for the purpose of determining whether the three-year continuance requirement is met
- Removing the requirement to reduce the value of retirement assets consisting of stocks, bonds, and mutual funds by 30% when measuring the three-year continuance for retirement income

Employment-Related Assets as Qualifying Income

For non-AUS and DU loans, we remove the requirement to reduce the value of retirement assets consisting of stocks, bonds, and mutual funds by 30% when calculating net documented assets used as qualifying income.

Before and After Matrix

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

Revised Material

Click [Agency Loan Programs](#) to review the revised product material.

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Former Guidelines

See the before and after matrix provided in the Bulletin Details section of this bulletin to access the former guidelines.

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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