

Product Release

Information for Correspondent Lenders of Truist Bank
April 23, 2021 • COR21-021



Alert

Update

Reminder

Clarification

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Preview

Agency Power of Attorney and PUD 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:

- revise power of attorney requirements
- clarify planned unit development (PUD) guidelines

Effective Dates

All updates are effective immediately for existing and new loan applications on or after April 23, 2021.

Background Information

Fannie Mae SEL-2021-02 announced updates impacting power of attorney and PUD guideline requirements. In response to this publication, we reviewed impacted guidelines and identified the opportunity to implement revisions to more closely align with Fannie Mae requirements.

Bulletin Details

Power of Attorney Revisions

For non-AUS and DU loans, we revise power of attorney requirements as follows:

- Remove the power of attorney limitation requiring at least one borrower signature on the note and security instrument. With this update, each borrower may sign these loan documents utilizing a POA, provided all power of attorney requirements are met.
- For purchase transactions, the agent (or attorney-in-fact) may not be the property seller, or any person related to the property seller, including a relative or affiliate, unless they are also a relative of the borrower.
- When title to mortgaged property is held by a trustee under an inter vivos revocable trust, loan documentation may not be executed using a POA granted by such trustee unless,
 - the related trust instrument expressly authorizes the trustee to use a POA to delegate powers to an agent, or
 - the agent under the POA is the borrower creating such inter vivos revocable trust.

Note: The following non-AUS and DU overlays remain: the use of electronic signatures on notarized documents (inclusive of remote and online notarizations) and the use of a POA to facilitate a closing via a recorded, interactive session conducted via the internet are not permitted.

PUD Clarification

For non-AUS and DU loans, we clarify PUD guidelines by removing a duplicate PUD definition.

Before and After Matrix

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

Revised Materials

Click [Condominium and PUD Approval Requirements](#) and [Agency Loan Programs](#) to review the revised product materials.

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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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