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Clarification

Training
Information

Preview

Agency LPA Condominium Revisions

Truist Bank (Truist) revises Agency Loan Product Advisor[®] (LPASM) condominium guidelines to align with recently announced Freddie Mac updates. With these LPA condominium updates we:

- revise requirements related to the following ineligible project characteristics:
 - projects in litigation
 - projects in which the unit owners do not have sole ownership of the common elements
- specify that lenders are encouraged (but not required) to obtain **and** deliver the homeowners association (HOA) Taxpayer Identification Number (TIN)

Effective Dates

All updates are effective immediately for new loan applications on or after July 16, 2021.

Background Information

Freddie Mac Bulletin 2021-20 announced updates impacting LPA condominium requirements. In response to this publication, we reviewed impacted guidelines and identified the opportunity to implement revisions to align with Freddie Mac requirements.

Bulletin Details

Condominium Guideline Revisions

For LPA loans, we revise condominium guidelines to:

- revise ineligible projects in litigation guidance to include projects involved in alternative dispute resolution (ADR) proceedings as follows:
 - projects in which the lender discovers that the HOA is a party to an ADR proceeding, such as arbitration or mediation, are not eligible
 - projects in which the lender discovers that the project sponsor or developer is a party in an ADR proceeding that relates to the safety, structural soundness, functional use or habitability of the project are not eligible
 - specify that a project may be eligible if the lender determines that the ADR proceeding involves a minor matter
- clarify ineligible projects in which the unit owners do not have sole ownership of the common elements guidance as follows: Unit owners in a condominium project must have the sole ownership in **and** the right to the use of, the common elements.
- specify that lenders are encouraged (but not required) to obtain **and** deliver the HOA TIN

Before and After Matrix

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

Revised Material

Click [Condominium and PUD Approval Requirements](#) to review the revised product material.

Product Release

Information for Correspondent Lenders of Truist Bank
July 16, 2021 • COR21-041



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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