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Agency Foreign Assets and Community Seconds Guideline Revisions

Truist Bank (Truist) revises Agency non-AUS and Desktop Underwriter[®] (DU[®]) guidelines to align with recently announced Fannie Mae updates. With these updates, we:

- revise requirements related to foreign assets
- provide additional details on Community Seconds[®] provider eligibility

Effective Dates

All updates are effective for new loan applications on or after July 1, 2022.

Background Information

Fannie Mae SEL-2022-04 announced updated requirements related to foreign assets and community seconds providers. In response to this publication, we reviewed impacted guidelines and identified the need to implement revisions to align with Fannie Mae requirements.

Bulletin Details

Foreign Assets

For non-AUS and DU loans, we revise requirements related to foreign assets used for qualifying a borrower. The following requirements apply regardless of the borrower's citizenship status:

- When the source of funds needed for down payment, closing costs, or financial reserves originates from assets located outside of the United States and its territories, those assets must be exchanged and transferred into a U.S. or state-regulated financial institution and must be verified prior to the closing of the loan.
- All income and asset documents of foreign origin must be completed in English, or the originator must provide a translation, attached to each document, and ensure the translation is complete and accurate.

Community Seconds Providers

For non-AUS and DU loans, we revise Community Seconds guidelines to include an exhaustive list of all types of eligible Community Seconds providers. A Community Seconds loan may only be funded by the following entities, provided they are not the property seller or other interested party in the transaction:

- a federal agency, state, county, or similar political subdivision of a state;
- any city, town, village, or borough of a state that:
 - has a local government and that has been created by a special legislative act,
 - has been otherwise individually incorporated or chartered pursuant to state law, or
 - is recognized as such under the constitution or by the laws of the state in which it is located,

Bulletin Details, continued

Community Seconds Providers, continued

- a housing finance agency as defined in 24 C.F.R. §266.5;
- a nonprofit organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code;
- a regional Federal Home Loan Bank under one of its affordable housing programs;
- an employer where a borrower is an employee;
- a lender, only in connection with an employer-guaranteed Community Seconds mortgage as part of its affordable housing program; or
- an Indian tribe on the most current list published by the Secretary of the Interior pursuant to 25 U.S.C. §5131.

Note: A corporation or other legal entity created by or owned in whole or in part by such an Indian tribe is not eligible unless it qualifies as a Tribally Designated Housing Entity, as defined in 25 U.S.C. §4103(22).

Before and After Matrix

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

Revised Materials

Click [Agency Loan Programs](#) and [Non-Permanent Resident Alien Requirements](#) to review the revised product materials.

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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