

Alert

Update

Reminder

ClarificationTraining
Information

Preview

Property Type Updates for the Key Loan Program

Truist Bank (Truist) takes the opportunity to revise and clarify various property type guidelines under the Key Loan Program:

- The following new enhancements apply:
 - Enable log homes as an eligible property type
 - Remove the 2500 square foot minimum requirement on modular homes
- Topics of clarification include:
 - Ineligible leaseholds
 - Warrantable Condos and PUDS
 - Maximum financed second homes

Effective Dates

Effective for existing and new applications on or after July 29, 2022.

Background Information

In an effort to remain competitive in the marketplace, Truist is relaxing the collateral guideline requirements for the eligible property types under the Key Loan Program.

Bulletin Details

Modular Housing

The restriction that a modular home must be a minimum of 2500 square feet was removed from the Modular Housing section. In addition, modular homes were added to the list of eligible property types under the Primary Residences and Second Home topics.

Log Homes

A new topic for log homes has been added to reflect that log homes are eligible with the following requirements:

- Log home transactions are capped at a maximum LTV of 80%.
- A minimum of one (1) comparable property in the appraisal report must be a log home.

In addition, log homes were added to the list of eligible property types under the Primary Residences and Second Home topics.

Ineligible Properties

Truist clarifies that ineligible properties include:

- leaseholds that do not extend 5-years beyond the loan term and are not typical in the market area

Warrantable Condominiums

In order to maintain consistency, Truist removed duplicated guidelines and refers to [Section 1.06: Condominium and PUD Approval Requirements](#) of the Correspondent Seller Guide for warranty guidelines.

PUDs

In order to maintain consistency, Truist removed duplicated guidelines and refers to [Section 1.06: Condominium and PUD Approval Requirements](#) of the Correspondent Seller Guide for warranty guidelines.

Second Homes

Truist removed the bullet point restricting to 1 financed second home in order to align with the most recent update to [Section 1.22 Maximum Number of Financed Properties and Borrower Exposure](#) of the Correspondent Seller Guide. Those updates were announced in [Bulletin CORR 22-016](#).

Revised Material

Click [Key Loan Program](#) to review the revised material.

Former Guidelines

Previously, log homes were an ineligible property type and modular homes were limited to 2500 square feet

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.

This information is for use by mortgage professionals only and should not be distributed to or used by consumers or other third parties. This is not for solicitation of sales. Information is accurate as of date of posting and is subject to change without current product details and lending procedure. Truist Bank does not guarantee or assume liability for any third-party products or services. Truist Bank is an Equal Housing Lender. ©2020 Truist Financial Corporation. All rights reserved.