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SOFR ARMs for Correspondent Lending

Truist Bank (Truist) announces the introduction of additional Secured Overnight Financing Rate (SOFR) ARM options.

Effective Dates

Effective for new locks on or after May 15, 2023.

Background Information

To meet the needs of its client and to stay competitive, Truist offers additional SOFR ARM products to support Correspondent offerings, specifically for the Key Loan Program and Texas Equity 50(a)(6) Mortgage offerings.

Bulletin Details

Key Loan Program SOFR ARMs

The Key Loan Program includes the following fully amortizing SOFR ARM offerings:

- 5/6-Month SOFR ARMs offering a 10–30-year loan term.
- 7/6-Month SOFR ARMs offering a 10–30-year loan term.
- 10/6-Month SOFR ARM offering a 15–30-year loan term.

Texas Equity 50(a)(6) SOFR ARM Products

The Texas Section 50(a)(6) Mortgage offering includes additional fully amortizing SOFR ARM options:

Agency Loan Program:

- 5/6-Month SOFR ARM offering a 10–30-year loan term.

Key Loan Program:

- 5/6-Month SOFR ARM offering a 10–30-year loan term.
- 7/6-Month SOFR ARM offering a 10–30-year loan term.
- 10/6-Month SOFR ARM offering a 15–30-year loan term.

Qualifying Rate, Interest Rate Adjustment, Index, Margin/Floor, and Interest Rate Caps

Please refer to the following sections of the Correspondent Seller Guide for details:

- Section 2.01c: Texas Section 50(a)(6) Mortgages
- Section 2.06: Key Loan Standard

Before and After Matrix

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

Bulletin Details, continued

Revised Material

Click [Key Loan Standard](#), [Key Loan Checklist \(COR 0650\)](#) and [Texas Section \(50\)\(a\)\(6\) Mortgages Standard](#) to review the revised product materials.

Former Standards

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

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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