

Alert

Update

Reminder

Clarification

Training
Information

Preview

Agency LPA Property Eligibility, Appraisals, and Other Revisions

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

- provide an exception when multiple parcels that would normally be adjoined are separated by a road
- revise appraisal update guidelines to remove the requirement to report the transaction type and owner of record
- clarify that the appraised value as of the appraisal report effective date is used to determine value

Additionally, in support of our guideline improvement initiative, we add a reference to our General Income Documentation Requirements subtopic for mortgages using automated income assessment with LPA using tax return data.

Effective Dates

Effective for existing and new applications on or after July 1, 2022.

Background Information

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

In support of our guideline improvement initiative, we identified an opportunity to add a reference to our General Income Documentation Requirements subtopic for mortgages using automated income assessment with Loan Product Advisor using tax return data.

Bulletin Details

Multiple Parcels

We update LPA additional parcel guidelines to permit an exception when properties with two or more parcels, which would normally be adjoined, are separated by a road. The parcel without the residence must be a non-buildable lot (for example, waterfront property where the parcel without the residence provides access to the water). The parcel without the residence may include non-residential improvements such as a garage or dock.

Appraisal Update Requirements

We revise LPA appraisal update guidelines to remove the requirement to report the transaction type and owner of record, which aligns with the *Appraisal Update and/or Completion Report* (Form 442).

Bulletin Details, continued

Appraised Value Clarification

For LPA loans, we clarify that the appraised value of the property as of the appraisal report effective date is used to determine value, as opposed to the value on the note date.

Other Guideline Improvement Update

In support of our guideline improvement initiative, we identified an opportunity to add a reference to our General Income Documentation Requirements subtopic for mortgages using automated income assessment with Loan Product Advisor using tax return data.

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 [Appraisal Guidelines](#) and [Agency Loan Programs](#) 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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