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## Key Loan Updates for Housing Payments & Other Liabilities Standards

Truist Bank (Truist) announces updates to the housing payments verification and other liabilities standards for the Key Loan in the following areas:

- Mortgage and Rental Histories
- Unreimbursed Business Expenses
- Co-signed Debt
- Installment Debt
- Revolving Debt
- Conversion of Primary Residence to Investment Property

### Effective Dates

Effective for new locks on or after November 29, 2022.

### Background Information

Truist takes the opportunity to update and align standards within the Key Loan Standard for housing payments and other liabilities more closely with industry standards.

### Bulletin Details

#### Mortgage and Rental History

Verification standards for housing history have been updated to allow payment verification via additional options such as the credit bureau report, written verification, payment validation via Venmo, etc. In addition, the standard allowing verification to be bypassed when the borrower owns their primary residence free and clear has been updated to require the residence to be owned free and clear for at least 24 months. Refer to the Before and After Matrix and/or the Revised Material sections of this bulletin for further information.

#### Unreimbursed Business Expenses

The Key Loan Standard (Section 2.06) of the Seller Guide has been revised to remove the Unreimbursed Business Expenses requirement from the commission and income analysis sections. Refer to the Before and After Matrix and/or the Revised Material sections of this bulletin for further information.

#### Co-Signed Debt

Standards for co-signed debt within the Key Loan Standard have been updated to include exclusionary guidance for both mortgage and non-mortgage debt. Refer to the Before and After Matrix and/or the Revised Material sections of this bulletin for further information.

## Bulletin Details, continued

### Installment Debt

Provisions to allow exclusion of Installment Debt with ten or less remaining payments have been updated to now consider the borrower's ability to repay in the months immediately after loan closing instead of the historical usage of the installment debt. Refer to the Before and After Matrix and/or the Revised Material sections of this bulletin for further information.

### Revolving Debt

Revolving Debt standards have been updated to allow revolving debt or an unsecured line of credit to be paid off to qualify the borrower if the borrower utilizes their own funds from acceptable sources and if documented properly. However, revolving debt cannot be paid down to qualify. The standard has also been updated to only require a payment on an unsecured line of credit or revolving debt if there is a balance on the credit report. Refer to the Before and After Matrix and/or the Revised Material sections of this bulletin for further information.

### Conversion of Primary Residence to Investment Property and the Use of Rental Income

The equity requirement to allow rental income to qualify when the primary residence is being converted to an investment property has been updated from 30% to 25%. In addition, parameters around the level of experience the borrower has as a landlord have been updated. Refer to the Before and After Matrix and/or the Revised Material sections of this bulletin for further information.

### Before and After Matrix

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

### Revised Material

Click [Key Loan Standard](#) and [Key Loan Eligibility Checklist \(COR 0650\)](#) to review the revised material.

### Former Standards

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

## 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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