

Agency Guideline Revisions

Note: Truist specific overlays are underlined.

Topic	Impacted Document	Impacted Products	Current Guidelines	Revised Guidelines								
Power of Attorney (POA)	Correspondent Section 2.01 Agency Loan Programs-Guideline	<ul style="list-style-type: none"> • Standard Agency (non-AU & DU) • Agency Plus (DU) • HomeReady® Mortgage (non-AUS & DU) • Texas Section 50 (a)(6) Mortgages (non-AUS & DU) 	<p>Closing and Loan Settlement Documentation / Power of Attorney</p> <p>Non-AUS</p> <ul style="list-style-type: none"> • Overview <ul style="list-style-type: none"> • Except as provided below, an attorney-in-fact or agent under a power of attorney may sign the security instrument and/or note, as long as the lender obtains a copy of the applicable power of attorney. In jurisdictions where a power of attorney used for a signature on a security instrument must be recorded with the security instrument, the lender must ensure that recordation has been effected. The name(s) on the power of attorney must match the name(s) of the person on the affected loan document, and the power of attorney must be dated such that it was valid at the time the affected loan document was executed. The power of attorney must be notarized and, unless otherwise required by applicable law, must reference the address of the subject property. If applicable law requires an original power of attorney for enforcement or foreclosure purposes, an original (rather than a copy) must be forwarded to the document custodian. • Allowable Attorneys-in-Fact or Agents Under a Power of Attorney <ul style="list-style-type: none"> • Except as otherwise required by applicable law, or unless they are the borrower’s relative, none of the following persons connected to the transaction shall sign the security instrument or note as the attorney-in-fact or agent under a power of attorney: <ul style="list-style-type: none"> • the lender; • any affiliate of the lender; • any employee of the lender or any other affiliate of the lender; • the loan originator; • the employer of the loan originator; • any employee of the employer of the loan originator; • the title insurance company providing the title insurance policy or any affiliate of such title insurance company (including, but not limited to, the title agency closing the loan), or any employee of either such title insurance company or any such affiliate; or • any real estate agent with a financial interest in the transaction or any person affiliated with such real estate agent. • As used herein, the borrower’s relative includes any person defined as a relative (per Agency guidelines), or a person who is a fiancé, fiancée, or domestic partner of the borrower. • A power of attorney <u>may not be used</u> to facilitate a closing via a recorded, interactive session conducted via the Internet. • Living Trust (Inter Vivos Trust) <ul style="list-style-type: none"> • A Power of Attorney (POA) is permitted if the trust language authorizes the trustee to delegate its authority. • Restrictions on the Use of a Power of Attorney <ul style="list-style-type: none"> • Except as required by applicable law, a power of attorney may not be utilized to sign a security instrument or note if either (or both) of the following applies: <ul style="list-style-type: none"> • No other borrower executes such loan document in person in the presence of a notary public. Exceptions: A power of attorney may be utilized to sign such loan document for each borrower: <ul style="list-style-type: none"> • as long as the attorney-in-fact or agent under the power of attorney is either the borrower’s attorney-at-law or the borrower’s relative; or • as long as the attorney-in-fact or agent under the power of attorney signs the security instrument in their own capacity as an owner of the mortgaged property. 	<p>Closing and Loan Settlement Documentation / Power of Attorney</p> <p>Non-AUS</p> <ul style="list-style-type: none"> • Overview <ul style="list-style-type: none"> • A power of attorney (POA) is a legal document giving one person (described below as the “agent”) the power to legally bind another person. Loans with documentation executed by an agent on behalf of the borrower under a POA are eligible for delivery to Fannie Mae if all the requirements of this section are met. • When title to mortgaged property is held by a trustee under an inter vivos revocable trust, loan documentation may not be executed using a POA granted by such trustee unless, <ul style="list-style-type: none"> • the related trust instrument expressly authorizes the trustee to use a POA to delegate powers to an agent, or • the agent under the POA is the borrower creating such inter vivos revocable trust. • General Exception to Power of Attorney Requirements <ul style="list-style-type: none"> • If a lender determines that it is required by applicable law to accept a POA presented by a borrower, none of the following requirements for, or limitations on, the use of a POA apply. In such cases, the lender must include a written statement in the loan file that explains that determination. Such written statement must be provided to the document custodian with the POA. • Eligibility Requirements for Using a Power of Attorney <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #cccccc;"> <th colspan="2" style="text-align: center;">Underwriting and Documentation Requirements</th> </tr> </thead> <tbody> <tr> <td style="width: 30%;">Eligible Transactions</td> <td> <ul style="list-style-type: none"> • Purchase • Limited cash-out refinance </td> </tr> <tr> <td>Documentation Requirements</td> <td> <p>An agent under a POA may sign the note and/or security instrument on behalf of a borrower if all of the following requirements are met:</p> <ul style="list-style-type: none"> • The lender obtains a copy of the POA. • The name(s) on the POA match the name(s) of the person on the relevant loan document. • The POA is dated such that it was valid at the time the relevant loan document was executed. • The POA is notarized. • The POA must reference the address of the subject property. <p>Note: See the “Loan Application Requirements” subtopic previously presented the “Application and Consumer Compliance” topic for additional information regarding the use of a POA in completing the Uniform Residential Loan Application.</p> </td> </tr> <tr> <td>Additional Requirements</td> <td> <ul style="list-style-type: none"> • In jurisdictions where a POA used for a signature on a security instrument must be recorded with the security instrument, the lender must ensure that recordation has been effected. • If applicable law requires an original POA for enforcement or foreclosure purposes, an original must be forwarded to the </td> </tr> </tbody> </table>	Underwriting and Documentation Requirements		Eligible Transactions	<ul style="list-style-type: none"> • Purchase • Limited cash-out refinance 	Documentation Requirements	<p>An agent under a POA may sign the note and/or security instrument on behalf of a borrower if all of the following requirements are met:</p> <ul style="list-style-type: none"> • The lender obtains a copy of the POA. • The name(s) on the POA match the name(s) of the person on the relevant loan document. • The POA is dated such that it was valid at the time the relevant loan document was executed. • The POA is notarized. • The POA must reference the address of the subject property. <p>Note: See the “Loan Application Requirements” subtopic previously presented the “Application and Consumer Compliance” topic for additional information regarding the use of a POA in completing the Uniform Residential Loan Application.</p>	Additional Requirements	<ul style="list-style-type: none"> • In jurisdictions where a POA used for a signature on a security instrument must be recorded with the security instrument, the lender must ensure that recordation has been effected. • If applicable law requires an original POA for enforcement or foreclosure purposes, an original must be forwarded to the
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			<ul style="list-style-type: none"> The transaction is a cash-out refinance. <ul style="list-style-type: none"> Additional Requirements <ul style="list-style-type: none"> If a power of attorney is used because the lender determines such use is required by applicable law, the lender must include in the mortgage loan file a written statement that explains the circumstances. Such statement must be provided to the document custodian with the power of attorney. <p>Reference: See the “Loan Application Requirements” subtopic within the “Application and Consumer Compliance” topic for additional information concerning use of a POA with the original and final loan application.</p> <p>Fannie Mae DU Follow DU requirements, which are the same as non-AUS guidelines</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;"></td> <td>document custodian.</td> </tr> <tr> <td></td> <td> <ul style="list-style-type: none"> If there is more than one borrower, each may execute the note and/or security instrument using a POA that complies with this section. </td> </tr> <tr> <td style="background-color: #ffff00;">Ineligible Agents</td> <td> <p>Unless a person described below is a relative of the borrower, none may serve as an agent:</p> <ul style="list-style-type: none"> Affiliate of lender Loan originator Affiliate of loan originator Employee of the title insurance company Affiliate of the title insurance company or its employee (including, but not limited to, the title agency closing the loan) Lender (or employee of lender) Property seller, or any person related to the property seller, including a relative or affiliate Any real estate agent with a financial interest in the transaction (or any person affiliated with such real estate agent) </td> </tr> </table> <p>Note: A borrower’s relative includes any person defined as a relative (per Agency guidelines), or a person who is a fiancé, fiancée, or in a legally recognized mutual relationship with the borrower (however denominated under applicable local law).</p> <ul style="list-style-type: none"> A power of attorney <u>may not be used</u> to facilitate a closing via a recorded, interactive session conducted via the Internet. <u>The borrower may not execute the POA using an electronic signature.</u> <p>Fannie Mae DU Follow DU requirements, which are the same as non-AUS guidelines.</p>		document custodian.		<ul style="list-style-type: none"> If there is more than one borrower, each may execute the note and/or security instrument using a POA that complies with this section. 	Ineligible Agents	<p>Unless a person described below is a relative of the borrower, none may serve as an agent:</p> <ul style="list-style-type: none"> Affiliate of lender Loan originator Affiliate of loan originator Employee of the title insurance company Affiliate of the title insurance company or its employee (including, but not limited to, the title agency closing the loan) Lender (or employee of lender) Property seller, or any person related to the property seller, including a relative or affiliate Any real estate agent with a financial interest in the transaction (or any person affiliated with such real estate agent)
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Planned Unit Development (PUD)	Correspondent Section 1.06 Condominium and PUD Approval Requirements	<ul style="list-style-type: none"> Standard Agency (non-AU & DU) Agency Plus (DU) HomeReady® Mortgage (non-AUS & DU) Texas Section 50 (a)(6) Mortgages (non-AUS & DU) 	<p>Eligibility Requirements for Units in PUD Projects</p> <p>Non-AUS</p> <ul style="list-style-type: none"> PUD Project Definition <ul style="list-style-type: none"> A PUD is a project or subdivision that consists of common property and improvements that are owned and maintained by an HOA for the benefit and use of the individual PUD units. For a project to qualify as a PUD for the purposes of these guidelines, all of the following requirements must be met: <ul style="list-style-type: none"> each unit owner’s membership in the HOA must be automatic and non-severable, the payment of assessments related to the unit must be mandatory, common property and improvements must be owned and maintained by an HOA for the benefit and use of the unit owners, and the subject unit must not be part of a condo or co-op project. Zoning is not a basis for classifying a project or subdivision as a PUD. Units in projects or subdivisions simply zoned as PUDs that include the following characteristics are not defined as PUD projects. These projects: <ul style="list-style-type: none"> have no common property and improvements, 	<p>Eligibility Requirements for Units in PUD Projects</p> <p>Non-AUS</p> <ul style="list-style-type: none"> PUD Project Requirements <ul style="list-style-type: none"> A PUD is a project or subdivision that consists of common property and improvements that are owned and maintained by an HOA for the benefit and use of the individual PUD units. For a project to qualify as a PUD for the purposes of these guidelines, all of the following requirements must be met: <ul style="list-style-type: none"> each unit owner’s membership in the HOA must be automatic and non-severable, the payment of assessments related to the unit must be mandatory, common property and improvements must be owned and maintained by an HOA for the benefit and use of the unit owners, and the subject unit must not be part of a condo or co-op project. Zoning is not a basis for classifying a project or subdivision as a PUD. Units in projects or subdivisions simply zoned as PUDs that include the following characteristics are not defined as PUD projects. These projects: <ul style="list-style-type: none"> have no common property and improvements, 						

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When delivering a loan for a unit located in a project, the lender must provide the Project Type Code shown in the following table. <table border="1" style="margin: 10px auto; border-collapse: collapse;"> <thead> <tr style="background-color: #cccccc;"> <th style="width: 20%;">Project Type Code</th> <th style="width: 80%;">Description</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">E</td> <td>Established PUD project</td> </tr> <tr> <td style="text-align: center;">F</td> <td>New PUD project</td> </tr> </tbody> </table> <ul style="list-style-type: none"> PUD projects are not eligible for review using the PERS process. PUD Project the contains single-wide manufactured homes: <u>Truist does not lend on single-wide manufactured homes regardless of the project’s Fannie Mae approval status.</u> <ul style="list-style-type: none"> Eligibility Requirements for Units in PUD Projects <ul style="list-style-type: none"> Lenders must determine that the PUD project and subject unit meet the requirements described below for all properties in a PUD project. Requirements Applicable to All Properties in a PUD Project <ul style="list-style-type: none"> All mortgages secured by units in PUD projects must comply with the following: <ul style="list-style-type: none"> property eligibility requirements; priority of common expense assessments (See the “Priority of Common Expense Assessments” guidance previously presented in this document for additional guidance); when an appraisal of the property is obtained, it must meet all applicable appraisal requirements (described in the eligible first mortgage product description and Section 1.07: Appraisal Guidelines of the <i>Correspondent Seller Guide</i>); and insurance requirements (described in Section 2.01: Agency Loan Programs of the <i>Correspondent Seller Guide</i>). <p>Note: Any unit located in a condo project within a larger PUD project or master association must meet the applicable requirements for condo projects.</p> <p>Fannie Mae DU Follow DU requirements, which are the same as non-AUS guidelines.</p>	Project Type Code	Description	E	Established PUD project	F	New PUD project	<ul style="list-style-type: none"> do not require the establishment of and membership in an HOA, and do not require the payment of assessments. 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