

# Correspondent Mortgage Bulletin

Information for Correspondent Lenders of SunTrust Mortgage, Inc.

May 2, 2014 • COR14-050



Alert

Update

Reminder

Clarification

Training  
Information

Preview

## Capital Gains Income Is an Unacceptable Source of Income on the Key Loan Program and the Jumbo Solution Second Mortgage Program

SunTrust Mortgage, Inc. clarifies that capital gains income is not an acceptable source of income on either the Key Loan Program or the Jumbo Solution Second Mortgage Program.

### Intended Audience

Origination Processing	Secondary Marketing	Underwriting	Closing Delivery Funding	Compliance Legal	Other
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### Effective Dates

**Friday, April 18, 2014**  
Effective for new applications dated on or after this date.

### Background Information

On April 18, 2014, we announced in bulletin [COR14-042](#) that capital gains income was an unacceptable source of income. Although we updated the list of unacceptable sources of income to include capital gains in the Key Loan Program product description on the *Correspondent Seller Guide*, we did not remove the documentation guidelines for capital gains income at the same time.

### Bulletin Details

#### Capital Gains Income

The Key Loan Program product description on the *Correspondent Seller Guide* no longer contains any documentation guidelines regarding capital gains income. Capital gains income is listed as an unacceptable source of income.

**Note:** The Jumbo Solution Second Mortgage guidelines for income revert to the Key Loan Program guidelines, so no changes were needed in that product description on the *Correspondent Seller Guide*.

### Action Required

**Origination, Processing, Underwriting, Closing, Delivery, and Funding**  
**Starting April 18, 2014**  
Apply these guidelines to loans with applications dated on or after this date.

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## Bulletin Details, continued

### Revised Materials

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

### Former Guideline

Previously, the Key Loan Program product description on the *Correspondent Seller Guide* contained guidelines for documentation of capital gains income, although capital gains income was also listed as an unacceptable source of income.

## Other Resources

Support Group	Description and Contact Information:
Account Manager or Correspondent Relations Coordinator	Specific questions on applying this procedure to specific loan files. Direct contact information for each account manager or correspondent relations coordinator is located in General Section 1.01: The Correspondent Division
Resource Center	Provides phone and email support on products, policies, and procedures as well as new product rollout and existing product enhancement. Contact the Resource Center at 800.382.2111, Option 1, Option 2.

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