

Product Support Bulletin



Information for Correspondent Lenders of SunTrust Mortgage, Inc.
February 26, 2016 • COR16-007

Alert

Update

Reminder

Clarification

Training
Information

Preview

Agency Condominium and Other Revisions

SunTrust Mortgage, Inc. announces a new optional streamlined Project Eligibility Review Service (PERS) process for established condominium projects. Additionally, we continue to provide Agency guideline improvements.

Intended Audience

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

Friday, February 26, 2016

All updates are effective immediately for both existing and new loan applications on or after this date.

Background Information

Fannie Mae SEL 2015-12 announced the release of a new optional streamlined PERS process for established condominium projects and clarified second home guidelines. In response to this publication, we reviewed impacted guidelines for all underwriting methods and identified opportunities to implement revisions to more closely align with Fannie Mae and Freddie Mac requirements, while managing risk to our business.

Additionally, in support of our guideline improvement initiative, we continue to modify the presentation of our guidelines to more closely reflect the Agencies' language.

Bulletin Details

Impacted Loan Programs

Updates outlined in this bulletin impact the following Agency loan programs: Standard Agency, Agency Plus, Texas Cash-Out Refinance, and DU Refi Plus™ loan programs.

Note: Review the before-and-after matrix subsequently presented in this bulletin for a detailed overview of the impacted loan programs per update and underwriting method.

Action Required

Origination, Processing, Secondary Marketing, Underwriting, Closing, Delivery, Funding, Compliance, and Legal
Starting February 26, 2016

Apply the guidelines as outlined in this bulletin and related Before-and-After Matrix.

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Bulletin Details, continued

Condominium Guideline Revisions

A summary of the condominium guideline revisions are as follows:

- Aligned with Fannie Mae by allowing their new optional streamlined PERS process for established condominium projects
- Aligned with Freddie Mac by incorporating guidance regarding the financing of limited common elements under the Streamlined Review and Full Review (established, new, and newly converted) options

Other Guideline Improvements

All other updates made were in support of our guideline improvements initiative (i.e., adopting Agency specific language, underlining overlays, etc.). Examples include, but are not limited to the following:

- Revised the second home subtopic to adopt Fannie Mae specific language and to underline an existing documented overlay; guideline intent remained the same.
- Corrected the example in the Allowable Age of Federal Income Tax Returns section within the General Income Information subtopic
- Clarified the self-employed borrower income subtopic to consistently reflect LP schedule K-1 documentation requirements, as initially published in bulletin [COR 15-046](#)

Before and After Matrix

[Click here](#) to see the before-and-after matrix that provides a detailed overview of the guideline updates effective immediately for existing and new loan applications on or after February 26, 2016.

Revised Materials

Click [Agency Loan Programs](#), [Condominium and PUD Approval Requirements](#), and [Correspondent Agency Overlay Matrix](#) to review the revised product materials.

Former Guidelines

See the before-and-after matrices provided in the Bulletin Details section 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. Direct contact information for each correspondent relations coordinator is located in General Section 1.01: The Correspondent Division.
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 4.

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