

Product Support Bulletin



Information for Correspondent Lenders of SunTrust Mortgage, Inc.
April 15, 2016 • COR16-011

Alert

Update

Reminder

Clarification

Training
Information

Preview

DU[®] Property Inspection Waiver Update

SunTrust Mortgage, Inc. revises Desktop Underwriter[®] (DU) property inspection waiver (PIW) guidelines.

Intended Audience

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

Friday, April 15, 2016
DU PIW update is effective for new loan applications on or after this date.

Background Information

Fannie Mae's DU Property Inspection Waiver Bulletin 16-01 clarified additional circumstances under which lenders may not exercise a PIW offer and must order appropriate fieldwork. In response to this publication, we reviewed impacted guidelines and identified opportunities to implement revisions to align with Fannie Mae requirements.

Bulletin Details

We aligned our DU PIW guidelines with Fannie Mae requirement to further clarify that an appraisal report must be obtained if the following applies, regardless if the DU Findings Report indicates PIW eligibility:

- the lender has reason to believe that the fieldwork is warranted based on additional information obtained about the property, subsequent events such as a hurricane or other natural disaster, or additional information provided by DU regarding the subject property and/or loan casefile,

Note: SunTrust Mortgage clarifies that examples of additional information about the property include, but may not be limited to, the following:

- a home inspection report or other information in the loan file that indicates the presence of adverse conditions and/or marketability factors,
- the presence of any contaminated site or hazardous substance affecting the property or the neighborhood in which the property is located.

Action Required

Origination, Processing, Secondary Marketing, Underwriting, Closing, Delivery, Funding, Compliance, and Legal Starting April 15, 2016

Apply the DU PIW guidelines as outlined in this bulletin.

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Bulletin Details, continued

- the subject property is an REO property,
- the last transaction on the subject property was a foreclosure,
- state law requires a full appraisal.

Before and After Matrix

[Click here](#) to see the before-and-after matrix that provides a detailed overview of the former and revised PIW guidelines.

Revised Material

Click [Agency Loan Programs](#) to review the revised product material.

Former Guidelines

See the before-and-after matrix 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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