

# Product Support Bulletin

Information for Correspondent Lenders of SunTrust Mortgage, Inc.  
December 2, 2016 • COR16-036



Alert

**Update**

Reminder

Clarification

Training  
Information

Preview

## Revised Virginia Automatic Subordination Guidance

SunTrust Mortgage, Inc. provides updates to our guidelines for Virginia Automatic Subordination requirements to align with the Code of Virginia language.

### Intended Audience

Origination  
Processing

Secondary Marketing

Underwriting

Closing  
Delivery  
Funding

Compliance  
Legal

Other

### Effective Dates

**Friday, December 2, 2016**

Effective for loan closings on or after this date.

### Background Information

SunTrust Mortgage updated guidelines to align with the Code of Virginia requirements for properties located in the Commonwealth of Virginia with subordinate financing.

### Bulletin Details

#### Requirements for the Automated Process

The following language has been incorporated into the Requirements section for Subordination of Virginia Properties:

- The refinance deed of trust, includes the following language inserted (with all blanks completed) on the first page in **bold** or capitalized letters in order to automatically subordinate the existing second deed of trust:

**“THIS IS A REFINANCE OF A DEED OF TRUST, MORTGAGE OR OTHER SECURITY INTEREST, RECORDED IN THE CLERK’S OFFICE, CIRCUIT COURT OF \_\_\_\_\_, VIRGINIA, IN DEED BOOK \_\_\_\_\_, PAGE \_\_\_\_\_, FOR WHICH THE TAX HAS BEEN PAID, PURSUANT TO SECTION 58.1-803E OF THE CODE OF VIRGINIA.”**

All other guidance in this section remains the same.

#### Virginia Automated Subordination Checklist

The updated language has been incorporated into the Virginia Automatic Subordination Checklist form COR 1379 on the *Correspondent Seller Guide*.

### Action Required

**Origination, Processing, Underwriting, Closing, Delivery, Funding, Compliance and Legal Starting December 2, 2016**

All loans submitted for purchase by SunTrust Mortgage with a closed date on or after this date must conform with these requirements.

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## Bulletin Details, continued

### Revised Materials

Click [Subordination of SunTrust Second Mortgage Loans](#) and [COR 1379](#) to review the revised product materials.

### Former Guidelines

Previously, our guidelines included language for the outstanding principal balance and interest rate of the loan that was being refinanced.

## 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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