

Product Support Bulletin



Information for Correspondent Lenders of SunTrust Mortgage, Inc.
December 9, 2016 • COR16-040

Alert

Update

Reminder

Clarification

Training
Information

Preview

DU[®] 10.0 Release, Day 1 Certainty[™], and Other Agency Revisions

Fannie Mae releases revisions to Fannie Mae's Desktop Underwriter (DU) Version 10.0 this weekend, December 10, 2016. Effective with this DU release, we fully align with Fannie Mae on the following:

- Day 1 Certainty initiatives
 - Property Inspection Waiver (PIW) eligibility
 - Property Value Representations and Warranties for loans underwritten by the Correspondent lender
- Co-borrower self-employment income evaluation
- Garnishment updates
- DU messaging updates

For loans underwritten by the Correspondent Lender, later this month, SunTrust Mortgage will further align and begin accepting loans documented using the DU validation service (for income, assets, and employment) as part of Fannie Mae's Day 1 Certainty initiative. Additional details will be provided in a future communication bulletin.

For loans underwritten by SunTrust Mortgage, we are currently evaluating the ability to expand the Day 1 Certainty initiative to include the DU validation service offerings and the property value representations and warranties.

We also announce the extension of the Fannie Mae DU Refi Plus[™] loan program. Alignment with site condominium updates and accessory unit clarifications, recently announced by Fannie Mae, will be provided in a future communication bulletin.

Intended Audience

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

Friday, December 9, 2016

Co-borrower self-employment income evaluation, garnishment, and DU Refi Plus extension updates are effective immediately for existing and new loan applications on or after this date.

Saturday, December 10, 2016

PIW specific updates are effective for new loan casefiles created in DU on or after this date.

Property value representations and warranties and DU messaging updates are effective for DU 10.0 loan casefiles submitted or resubmitted after this date.

Background Information

Fannie Mae recently announced the launch of their ground-breaking Day 1 Certainty[™], a new initiative to provide lenders with freedom from representations and warranties on key aspects of the mortgage origination process. The details of Day 1 Certainty were included in Fannie Mae's DU Version 10.0 December Release Notes and SEL-2016-08.

Additionally, in SEL-2016-08, Fannie Mae announced updates to co-borrower self-employment income evaluation, garnishments, and the extension of Fannie Mae's DU Refi Plus loan program to September 30, 2017. In response to these publications, we are implementing revisions to align with these Fannie Mae requirements.

Correspondent Bulletin [COR16-037](#), published December 2, 2016, provided a preview of these updates.

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Bulletin Details

Revised Product Materials are Now Available

We updated all applicable guideline documents to reflect the previously announced DU Version 10.0 revisions and other Agency guideline updates.

See Correspondent Bulletin [COR16-037](#) for a complete overview of all guideline revisions.

Revised Materials

Click [Agency Loan Programs](#), [Texas Cash-Out \[50\(a\)\(6\)\] Refinance First Mortgages](#), [DU Refi Plus™ Loan Program](#), and [Appraisal Guidelines](#) to review the revised product materials.

Action Required

Origination, Processing, Secondary Marketing, Underwriting, Closing, Delivery, Funding, Compliance, and Legal

Starting December 9, 2016

Apply the guidelines that are effective immediately for existing and new loan applications on or after this date. See the related Before-and-After Matrix provided in Correspondent Bulletin [COR16-037](#) for additional information.

Starting December 10, 2016

Apply the guidelines that are effective on this date. See the related Before-and-After Matrix provided in Correspondent Bulletin [COR16-037](#) for additional information.

Former Guidelines

See the before-and-after matrices provided in Correspondent Bulletin [COR16-037](#) 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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