

Product Support Bulletin



Information for Correspondent Lenders of SunTrust Mortgage, Inc.
September 1, 2017 • COR17-033

Alert

Update

Reminder

Clarification

Training
Information

Preview

Improved Loan Delivery Requirements and Other Revisions

We are pleased to announce improvements to our *Correspondent Seller Guide*, including the following:

- Improved requirements and information on loan deliveries to SunTrust Mortgage, Inc.
- Revisions to flood insurance requirements
- Removal or replacement of outdated information
- Miscellaneous clarifications

Intended Audience

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

Friday, September 1, 2017
Changes announced in this
bulletin are effective immediately.

Background Information

Based on a review, we updated our *Correspondent Seller Guide* to reflect current loan delivery standards and requirements, as well as other modernizations and clarifications. We also took this opportunity to update contact information pertaining to the Correspondent Division.

Bulletin Details

Improved Loan Delivery Requirements and Information

Hazard premiums due within 60 days of closing for purchase transactions and 45 days of closing for refinance transactions must be paid by the settlement agent with evidence of payment forwarded to SunTrust Mortgage. This is an enhancement for purchase transactions.

We removed a restriction which previously indicated that SunTrust Mortgage cannot purchase loan transactions at a balance if they include a temporary buydown.

We revised the Correspondent Closing Checklist ([COR 0013](#)) to include current information. Please discard any previous versions of this form.

Action Required

**Origination, Processing,
Underwriting, Closing,
Delivery and Funding
Starting September 1, 2017**

Apply the changes in this
bulletin, effective immediately.

Begin using the revised
Correspondent Closing Checklist
([COR 0013](#)) for loans closing on
or after this date.

Product Support Bulletin

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Bulletin Details, continued

Improved Loan Delivery Requirements and Information, continued

The closed loan must be delivered to SunTrust by 11:59 p.m. Eastern Time on the date of lock-in expiration to avoid re-pricing. If the closing file is not delivered by 11:59 p.m. Eastern Time on the date of the lock-in expiration, the loan will be subject to re-pricing.

[Click here](#) to access a revised guide for delivering a closed loan file to SunTrust Mortgage electronically.

Revisions to Flood Insurance Requirements

Within our flood insurance guidelines, changes include the following:

- We removed information pertaining to CoreLogic Flood Services, previously recommended for Correspondent lenders who had not established a relationship with a flood determination vendor.
- We clarified that **all** loans require flood insurance, when the **property improvements** are located in special flood hazard area zones beginning with the letters "A" or "V".
- When the subject property is located in a high risk flood zone, we now require zones to match within the same category (A to A and V to V). For example, it is no longer acceptable for the Determination to have a "V" zone when the Declaration Page has an "A" zone.
- We removed a restriction for STM to STM refinances, which previously indicated that escrows are not allowed to be netted if the loan is closing within 45 days of the payoff request (no exceptions).
- For condominiums, we clarified the following:
 - It is not required that the Lender be named as a mortgagee on a Residential Condominium Building Association Policy (RCBAP); **however**, SunTrust Mortgage requires insurers to provide evidence of the Mortgagee on an ACORD Evidence of Insurance document if the insurer will not add directly to the RCBAP.

Other Revisions

Within our general underwriting section of our *Correspondent Seller Guide*, we removed information pertaining to the optional use of CoreLogic *LoanSafe* reports by our Correspondent lenders. We also eliminated the CoreLogic *LoanSafe* Underwriting Checklist (COR 0052).

Within the Correspondent Eligibility, Definitions and Other Requirements section of our *Correspondent Seller Guide*, we clarified the following paragraph under "Access to Books and Records of Seller":

- (b) In addition, the Seller shall furnish during the term of the Agreement, such periodic, special or other reports or information, whether or not provided for herein, as shall be necessary, reasonable and appropriate with respect to the purposes of the Agreement, applicable regulations, and related investigations. All such reports or information shall be provided by and in accordance with all reasonable instructions and directions SunTrust or its designee may require. The Seller agrees to execute and deliver all such instruments and take all such action as SunTrust or its designee from time to time, may reasonably request in order to effectuate the purposes and to carry out the terms of this Agreement.

Within The Correspondent Division section of our *Correspondent Seller Guide*, we also made minor updates to the contact information.

Product Support Bulletin

Information for Correspondent Lenders of SunTrust Mortgage, Inc.
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Bulletin Details, continued

Revised Materials

Click [Loan Delivery and Purchase Review](#), Correspondent Closing Checklist ([COR 0013](#)), [Hazard and Flood Insurance](#), [Underwriting](#), [Correspondent Eligibility, Definitions and Other Requirements](#) and [The Correspondent Division](#) to view the revised material.

Former Guidelines

[Click here](#) to see a before-and-after matrix of the changes referenced in this bulletin. (**Note:** This matrix does not reflect the minor contact changes within [The Correspondent Division](#).)

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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