

Product Support Bulletin



Information for Correspondent Lenders of SunTrust Mortgage, Inc.
September 22, 2017 • COR17-036

Alert

Update

Reminder

Clarification

Training
Information

Preview

Correspondent Seller Guide Updated for UCD and HMDA

We have updated our *Correspondent Seller Guide* with information pertaining to the following industry changes:

- Uniform Closing Dataset (UCD), allowing information from the Closing Disclosure to be communicated electronically on Fannie Mae and Freddie Mac mortgage loans
- Home Mortgage Disclosure Act (HMDA), which includes new loan application requirements, effective January 1, 2018

Intended Audience

Origination Processing	Secondary Marketing	Underwriting	Closing Delivery Funding	Compliance Legal	Other
-----------------------------------	---------------------	---------------------	---	-----------------------------	-------

Effective Dates

Monday, September 25, 2017

UCD requirements announced in this bulletin are effective for Fannie Mae and Freddie Mac Note dates on or after this date.

Monday, January 1, 2018

New HMDA requirements are effective with loan applications on or after this date.

Background Information

In order to satisfy industry requirements pertaining to UCD (for Fannie Mae and Freddie Mac loans) and to conform to HMDA loan application requirements beginning in 2018, we updated our *Correspondent Seller Guide* to include new information and revise existing materials.

Bulletin Details

Uniform Closing Dataset (UCD)

The Uniform Closing Dataset (UCD) is a standardized industry dataset representing information from the Closing Disclosure that can be communicated electronically. The UCD is a component of Fannie Mae and Freddie Mac's Uniform Mortgage Data Program®, an ongoing initiative created to provide uniform loan data standards for the loans that Fannie Mae and Freddie Mac (GSEs) purchase.

- Correspondents will be required to submit the UCD to both GSEs and provide the UCD Findings Report (Fannie Mae) and Loan Closing Advisor Feedback Certificate (Freddie Mac) with the closed loan package with all messaging visible.
- Correspondents will be required to submit the UCD XML with the closed loan package. The requirement to embed the Closing Disclosure PDF in the UCD XML file will be fully enforced no earlier than April 2018, depending on the GSE's requirements.

Action Required

Origination, Processing, Underwriting, Closing, Delivery, Funding, Compliance and Legal Starting September 25, 2017

Follow SunTrust UCD requirements for Fannie Mae and Freddie Mac loans with Note dates on or after this date.

Begin using the revised Correspondent Closing Checklist ([COR 0013](#)) for Fannie Mae and Freddie Mac loans with Note dates on or after this date.

Product Support Bulletin

Information for Correspondent Lenders of SunTrust Mortgage, Inc.
September 22, 2017 • COR17-036



Bulletin Details, continued

Uniform Closing Dataset (UCD), continued

To avoid any delays with loan review and potential issues with loan purchase, both the Findings Report and Feedback Certificate should reflect no fatal errors or critical warning messages that could result in salability issues with the GSEs.

If the Final Closing Disclosure is updated, Correspondents will be required to resubmit loans to the UCD portals and provide an updated UCD Findings Report and Loan Closing Advisor Feedback Certificate to SunTrust.

TILA-RESPA Integrated Disclosure Rule (TRID)

As required by GSE's Uniform Closing Dataset (UCD) framework, STM expects a Loan Estimate/Closing Disclosure for all investment property transactions.

Home Mortgage Disclosure Act (HMDA) Requirements for 2018

New changes include the following:

- In order to be in compliance with HMDA, SunTrust requires the completion of Section X of the Uniform Residential Loan Application (1003) and the Demographic Information addendum to be completed as of January 1, 2018.
- If the required demographic information has not been supplied by the Correspondent or does not match on the initial and final typed 1003's, the underwriter or purchase reviewer will require the information as a "prior to closing" (PTC) or "prior to funding" (PTF) condition.
- SunTrust will not purchase a loan without accurate demographic information.
- The date of an applicant's birth is required on the 1003 loan application.
- Delegated Correspondent lenders are required to provide the ULI (Universal Loan Identifier). If a delegated Correspondent lender has determined it is not subject to HMDA Reg C, the lender is required to notify SunTrust Mortgage upon file submission, so that a SunTrust ULI can be generated.
- For HMDA reporting purposes, loans sold to SunTrust Mortgage, Inc., may report a purchaser type code of (71)-Credit union, mortgage company, or finance company.

Additional HMDA Reporting Information:

- If a Correspondent receives an application from a consumer, it reports the HMDA data and outcome of that application.
- If a Correspondent submits an application to SunTrust Mortgage for a credit decision (non-delegated), SunTrust Mortgage reports the HMDA data and outcome of that application.
- If a Correspondent submits an application to SunTrust Mortgage for purchase only (delegated), SunTrust only reports loans that result in a completed purchase.

Revised Forms

We revised the following SunTrust Correspondent forms as a result of the changes referenced in this bulletin:

- Correspondent Underwriting Submission Checklist ([COR 0005](#))
- Correspondent Closing Checklist ([COR 0013](#))

Please discard any previous versions of these forms.

Action Required

Origination, Processing, Underwriting, Closing, Delivery, Funding, Compliance and Legal Starting September 25, 2017

Begin using the revised Correspondent Underwriting Submission Checklist ([COR 0005](#)) for underwriting loan submissions to SunTrust or after this date.

Product Support Bulletin

Information for Correspondent Lenders of SunTrust Mortgage, Inc.
September 22, 2017 • COR17-036



Bulletin Details, continued

Revised Materials

Click [Loan Delivery and Purchase Review](#), [Compliance Overview](#), Correspondent Closing Checklist ([COR 0013](#)), Correspondent Underwriting Submission Checklist ([COR 0005](#)) to view the revised material.

Former Guidelines

[Click here](#) to see a before-and-after matrix of the changes referenced in this bulletin.

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.

This information is for use by mortgage professionals only and should not be distributed to or used by consumers or other third parties. This is not for solicitation of sales. Information is accurate as of date of posting and is subject to change without current product details and lending procedure. SunTrust Mortgage, Inc. does not guarantee or assume liability for any third-party products or services. ©2017 SunTrust Banks, Inc. SunTrust, and SunTrust Mortgage are federally registered service marks of SunTrust Banks, Inc.