

# Product Support Bulletin

Information for Correspondent Lenders of SunTrust Mortgage, Inc.  
April 6, 2018 • COR18-016



Alert

Update

Reminder

Clarification

Training  
Information

Preview

## Is Your Subject Property in a Declining Market?

The SunTrust Declining Market Index now reflects an updated list of Metropolitan Statistical Areas (MSA's) that SunTrust Mortgage, Inc. deems to be in a declining market.

The Watertown-Fort Drum, NY MSA is in a significantly declining market which requires a 15% reduction to the Loan-to-Value/Total Loan-to-Value (LTV/TLTV) and condominium properties only in the Miami-Fort Lauderdale-West Palm Beach, FL MSA require a 5% reduction to the LTV/TLTV.

Also, for clarification and ease of use, we now include the Declining Market guidelines within the Key Loan Program guidelines and we eliminated Section 1.09 Declining Market Guidelines from the *Correspondent Seller Guide*.

### Effective Dates

Effective for new and existing applications on or after April 6, 2018.

### Background Information

The SunTrust Declining Market Index is a list of declining markets published as necessary or quarterly, based on valuation shifts in the housing market. Correspondent lenders and SunTrust Mortgage teammates must review this list and apply the SunTrust Mortgage Declining Market guidelines and required LTV/TLTV reductions to the transaction.

As a reminder, SunTrust Mortgage Declining Market guidelines do not apply to the following loan programs:

- Agency and Agency Plus Loan Programs
- Fannie Mae HomeReady® and Freddie Mac Home Possible® Mortgages
- Texas Cash-Out [50(a)(6)] Refinance First Mortgages
- DU Refi Plus™ Loan Program
- The FHA 203b Loan Program
- Veterans Administration (VA) Loan Program

### Bulletin Details

#### Changes to the SunTrust Declining Market Index

With this update, there are no MSA's noted on the SunTrust Declining Market Index that are in a Severely Declining Market or a Moderately Declining Market.

Two (2) additional segments, Minimally declining and Over-heating are now included in the Index. There are no MSA's noted in the Minimally declining segment and only one MSA, Miami-Ft. Lauderdale-West Palm Beach, FL, included in the Overheating segment. However, at this time, only condominium properties are impacted in this Over-heating segment.

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## Bulletin Details, continued

### Revised Material

Click [Jumbo Solution Second Mortgage](#), [Key Loan Program](#), [Appraisal Guidelines](#), [Properties Purchased at Auction](#), [Subordination of SunTrust Second Mortgage Loans](#), [SunTrust Declining Market Index](#), and Declining Market Appraisal Checklist ([COR 0051](#)) to review the revised material.

### Former Guidelines

[Click here](#) to access a before and after matrix to review 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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