

# Product Release

Information for Correspondent Lenders of SunTrust Bank  
December 17, 2018 • COR18-062 REVISED



Alert

**Update**

Reminder

Clarification

Training  
Information

Preview

## Key Loan Appraisal and Insurance Revisions

SunTrust Bank (SunTrust) announces revisions to allowable age of appraisals and acceptable types of homeowners insurance.

### Effective Dates

Effective for new and existing applications on or after December 14, 2018.

### Background Information

SunTrust found opportunities to more closely align with the market regarding acceptable homeowners insurance policies and age of appraisal documentation.

### Bulletin Details

#### Allowable Age of Appraisal for Portfolio Transactions

The following guidance provides acceptable age of appraisal requirements.

- The appraisal must be dated within 120 days prior to the note date.
- If prepared more than 120 days but less than one year prior to the date of loan closing, the original appraiser (if available) must inspect the exterior of the property and review current market data to determine whether the property has declined in value since the original appraisal date. If the loan does not close within 120 days of the initial recertification, an additional recertification must be performed along with two (2) new comparables.
- If the effective date of the appraisal is greater than 120 days, but less than one year from the date of the loan closing, and the appraiser indicates the property has not declined in value, an update of value (Fannie Mae Form 1004D/Freddie Mac Form 442) must be included in the loan file.
- If the appraisal is being reused for a subsequent transaction, the original appraisal must be dated within 120 days prior to the note date of the subsequent transaction.

#### Perpetual Insurance for Non-Agency Transactions

Perpetual homeowners insurance policies are permitted for Key Loan Program transactions.

#### Revised Material

Click [Appraisal Guidelines](#), [Hazard and Flood Insurance](#), [Key Loan Program](#), Declining Markets Appraisal Checklist ([COR 0051](#)) and Key Loan Program Eligibility Checklist ([COR 0650](#)).

### Former Guidelines

Previously, the allowable age of appraisal was 90 days prior to the note date. Also, perpetual homeowners insurance policies were not acceptable for Key Loan transactions.

# Product Release

Information for Correspondent Lenders of SunTrust Bank  
December 17, 2018 • COR18-062 REVISED



## 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 3.

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 does not guarantee or assume liability for any third-party products or services. ©2018. SunTrust Banks, Inc. SunTrust and the SunTrust logo are trademarks of SunTrust Banks, Inc. All rights reserved.