

Correspondent Mortgage Bulletin

Information for Correspondent Lenders of SunTrust Mortgage, Inc.

June 27, 2014 • COR14-070



Alert

Update

Reminder

Clarification

Training
Information

Preview

Delivery of VA Repair Inspections

SunTrust Mortgage, Inc. updates guidelines to reflect new requirements issued by the Department of Veterans Affairs (VA) regarding delivery of repair inspections on existing properties by VA fee appraisers.

Intended Audience

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

Effective Dates

Friday, June 27, 2014

Effective with new applications and loans in the pipeline on or after this date.

Background Information

VA issued Circular 26-14-8, which provides guidance on requirements for delivery of repair inspections on existing properties by VA fee appraisers.

Bulletin Details

Repair Inspections Existing Properties

We revised our VA guidelines to include the following updates:

- When repairs identified on a Notice of Value (NOV) have been completed, either the VA fee appraiser or lender must certify as to satisfactory completion.
- The VA fee appraiser may use Freddie Mac form 442, Fannie Mae form 1004D, Part B, Certification of Completion, or their own letterhead and include photos. The Certification of Completion must be completed to include the following:
 - Re-list the items on the NOV to be repaired or installed, in the case of customer preference, which were inspected by the appraiser.
 - Certify that quality materials were used and all items were completed in an acceptable manner.
 - Identify any required repairs not addressed or not completed properly.
 - Upload the completed, signed inspection report or certification to WebLGY.

Action Required

Origination, Processing, Underwriting, Closing, Delivery, and Funding

Starting June 27, 2014

Follow the published guidance.

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Bulletin Details, continued

Repair Inspections Existing Properties, continued

- Fannie Mae form 1004D, Part A, Summary Appraisal Update Report is not acceptable to VA.
- The Lender must use their own letterhead referencing the VA Case #, Veteran's name, property address, and specify the repair item(s) and finding(s).

Note: If the VA-assigned fee appraiser is unavailable, contact the VA Regional Loan Center of jurisdiction to request another fee appraiser be assigned.

Revised Materials

Click [Veterans Administration VA Loan Program](#) to review the revised material.

Former Guideline

Previously, SunTrust Mortgage did not publish requirements regarding delivery of repair inspections on existing properties by VA fee appraisers.

Other Resources

| Support Group | Description and Contact Information: |
|--|---|
| Account Manager or Correspondent Relations Coordinator | Specific questions on applying this procedure to specific loan files. Direct contact information for each account manager or correspondent relations coordinator is located in General Section 1.01: The Correspondent Division |
| Resource Center | Provides phone and email support on products, policies, and procedures as well as new product rollout and existing product enhancement. Contact the Resource Center at 800.382.2111, Option 1, Option 2. |

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