

# Correspondent Mortgage Bulletin

Information for Correspondent Lenders of SunTrust Mortgage, Inc.

October 10, 2014 • COR14-101



Alert

Update

Reminder

Clarification

Training  
Information

Preview

## VA Reduces Validity Period for Certain NOVs

The Veterans Administration (VA) announces, in VA Circular 26-14-28, a reduction in the validity period on Notices of Value (NOVs) issued on proposed construction properties from one (1) year to six (6) months.

### Intended Audience

Origination  
Processing

Secondary Marketing

Underwriting

Closing  
Delivery  
Funding

Compliance  
Legal

Other

### Effective Dates

**Wednesday, October 1, 2014**  
Effective for Notices of Value issued on proposed construction properties on or after this date.

### Background Information

Due to the volatility of the market, VA has determined the validity period of NOVs issued for proposed construction properties was too long; therefore, they have reduced this period from one (1) year to six (6) months for all proposed construction cases. This reduction will align with existing construction cases.

### Bulletin Details

#### VA Circular 26-14-28

VA announces a reduction in the validity period on proposed construction Notices of Value (NOV) from one (1) year to six (6) months. Due to the instability of the market and economic climate in the country, VA will enforce a 6-month validity period from the date of issuance of the NOV on all proposed construction cases.

VA will extend the validity period only when it is determined that current market conditions make it likely that the original value estimate will remain valid through the extended period.

### Action Required

#### Correspondent Lenders Starting, October 1, 2014

Follow the guidance outlined in VA Circular 26-14-28.

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## Bulletin Details, continued

### Revised Material

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

### Former Guideline

Previously, the validity period for proposed construction NOVs was one (1) year.

## 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
Emerging Banker Account Executive	Specific questions on applying this procedure to specific loan files. Direct contact information for each account executive 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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