

Product Support Bulletin

Information for Correspondent Lenders of SunTrust Mortgage, Inc.
December 26, 2014 • COR14-123



Alert

Update

Reminder

Clarification

Training
Information

Preview

FHA Temporary Property Flipping Waiver Expires

The Federal Housing Administration (FHA) announced the temporary property flipping waiver expires on December 31, 2014.

Intended Audience

Origination Processing	Secondary Marketing	Underwriting	Closing Delivery Funding	Compliance Legal	Other
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Effective Dates

Thursday, January 1, 2015

The FHA temporary property flipping waiver is no longer eligible for sales contracts executed on or after this date.

Background Information

FHA announced in their FHA INFO newsletter #14-73, the temporary property flipping waiver for restrictions on resales in regulation 203.37a(c) is expiring. The resale date under this waiver could be less than 90-days from the date of sales execution. Contracts signed after December 31, 2014 are no longer eligible for the property flipping waiver. FHA will not extend the waiver beyond December 31, 2014.

Bulletin Details

The FHA Temporary Property Flipping Waiver Expires
The FHA temporary property flipping waiver, that permitted the re-sale of single family properties within 90 days, expires on December 31, 2014.

When applicable, continue to follow the Property Flipping (Prohibition) guidelines, which permits the resale of properties under certain other restrictions (i.e., Exception to the 90-Day Restriction), which still remain in effect.

Action Required

Correspondent Lenders, Origination and Processing, Secondary Marketing, Underwriting, Closing, Loan Delivery and Funding Starting, January 1, 2015

Review contracts carefully. Contracts must be signed by all parties on or before December 31, 2014 to be eligible for the temporary property flipping waiver.

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Bulletin Details, continued

Revised Materials

Click [The FHA 203\(b\) Loan Program](#) and the [SunTrust Government Credit Overlay Matrix](#) to view the revised material.

Former Guidelines

Previously, the FHA Temporary Property Flipping Waiver was permitted for correspondent lenders only for Neighborhood Stabilization Programs (see Correspondent Bulletin COR09-347) as a representative purchaser and rehabilitator of foreclosed and abandoned properties.

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.
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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