

# Product Support Bulletin



Information for Correspondent Lenders of SunTrust Mortgage, Inc.  
January 29, 2016 • COR16-005

Alert

**Update**

Reminder

Clarification

Training  
Information

Preview

## SunTrust Mortgage Improves Underwriting Delegation Levels

SunTrust Mortgage, Inc. improves delegated underwriting levels to include the Key Loan Program, Agency manually underwritten transactions, and Agency Plus Freddie Mac Loan Prospector (LP) transactions.

### Intended Audience

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

**Friday, January 29, 2016**

These updates are effective with new locks on or after this date.

### Background Information

In an effort to improve efficiencies and satisfy our guidelines, we improved our delegation levels and streamlined our guidelines around this topic.

### Bulletin Details

#### Expanded Plus Underwriting Delegation Level

We created a new delegation level. Lenders approved under the new Expanded Plus delegation level will be eligible to underwrite our jumbo product, the Key Loan Program. Eligible Key Loan Program transactions must meet the following requirements:

- Loan amount must be less than or equal to \$1,000,000
- The subject property must be a 1-unit, primary residence (i.e., no second homes)
- Non-occupant co-borrowers are not eligible
- Short sale subject properties are not eligible
- Third-Party Originated (TPO) are not eligible (regardless of any Third Party Component Advice)

Loans not meeting the above criteria will have to be sent to SunTrust Mortgage for underwriting.

In addition, we updated the Key Loan Program Eligibility Checklist ([COR0650](#)). This form is required on all delegated Key Loan Program transactions.

### Action Required

**Origination, Processing, Secondary Marketing, Underwriting, Closing, Delivery, Funding, Compliance, Legal and Delegated Direct Endorsement Lenders**

**Starting January 29, 2016**

Utilize the new underwriting delegation levels.

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## Bulletin Details, continued

### Level II and Expanded Underwriting Delegation Level

We improved the Level II delegation levels as follows:

- Allow Agency Plus 1-2 unit transactions with Freddie Mac LP "Accept/Eligible" findings

We improved the Expanded delegation level as follows:

- Allow Agency 1-4 unit Non-AUS transactions
- Allow Agency Plus, 3-4 unit properties
- Allow Agency Plus, 3-4 unit transactions with Freddie Mac LP "Accept/Eligible" findings

### Revised Material

Click [Underwriting](#), [Key Loan Program](#), and the Key Loan Program Eligibility Checklist ([COR0650](#)) to review the revised product materials.

## Former Guidelines

Previously, we did not offer delegated underwriting for the following:

- Key Loan Program
- Agency non-AUS
- Agency Plus 3-4 unit properties
- Agency Plus transactions with Freddie Mac LP "Accept/Eligible" findings

## 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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