

Product Support Bulletin



Information for Correspondent Lenders of SunTrust Mortgage, Inc.
April 14, 2017 • COR17-016

Alert

Update

Reminder

Clarification

Training
Information

Preview

Agency Asset and Income Guideline Revisions

SunTrust Mortgage, Inc. provides a comprehensive before and after matrix outlining all asset guideline revisions announced in last week's Correspondent Bulletin [COR17-013](#). We also provide a reminder regarding the upcoming income guideline revisions.

Note: All impacted guideline documents will be updated on next week, April 21, 2017, to support these asset and income guideline revisions.

Purchase Deadline for Loan Product Advisor® (LPA®) Loans Underwritten to Current Asset and Income Guidelines

In order to meet Freddie Mac's delivery requirements for LPA loans underwritten to current asset and income guidelines, we are imposing a purchase cut-off date. Freddie Mac LPA loans originated under current asset and income guidelines will be honored; however, they must be purchased by SunTrust Mortgage on or before **May 19, 2017**. See the Effective Dates section below for additional details.

Intended Audience

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

Friday, April 21, 2017

Rental income and IRS Form 4506-T documentation requirements for loans using the Desktop Underwriter® (DU®) validation service guideline updates are effective immediately for new and existing loan applications on or after this date.

All other updates are effective for new loan applications taken on or after this date.

Friday, May 19, 2017

Freddie Mac LPA loan applications taken prior to April 21, 2017 and underwritten to current asset and income guidelines (regardless of submission date to LPA) will be honored under current guidelines; however, these loans must be purchased by SunTrust Mortgage on or before this date.

Monday, May 22, 2017

All Freddie Mac LPA loans purchased by SunTrust Mortgage on or after this date (regardless of the loan application date or submission date to LPA) must be underwritten to the revised asset and income guidelines.

Background Information

Freddie Mac Bulletins 2016-19 and 2016-23 announced updates impacting Agency asset and income guidelines. Fannie Mae announcement SEL-2017-02 announced a clarification impacting rental income guidelines and an update regarding IRS Form 4506-T documentation requirements for loans using the DU validation service. In response to these Freddie Mac and Fannie Mae publications, we reviewed impacted guidelines and identified opportunities to implement revisions to align with Freddie Mac and Fannie Mae requirements.

Additionally, in support of our guideline improvement initiative, we identified opportunities to refresh our guidelines to promote consistency and to more closely reflect the Agencies' language and/or presentation of guidance.

Correspondent Bulletin [COR17-013](#), published on April 7, 2017, provided a preview of these updates.

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Bulletin Details

Revised Asset Guidelines Before and After Matrix Now Available
As previously announced in Correspondent Bulletin [COR17-013](#), the comprehensive before and after matrix outlining all asset guideline revisions is available today. For a complete overview of all asset guideline updates, see the before and after matrix subsequently presented in this bulletin.

Reminder Regarding Upcoming Income Guideline Revisions
As a reminder, several Agency income guidelines are also being revised. See Correspondent Bulletin [COR17-013](#) for a complete overview of all income guidelines revisions.

Before and After Matrices

[Click here](#) to see the before and after matrix that provides a comprehensive overview of all asset guideline revisions that are effective for new loan applications taken on or after April 21, 2017.

See Correspondent Bulletin [COR17-013](#) for the before and after matrices outlining all income guideline revisions.

Action Required

Origination, Processing, Secondary Marketing, Underwriting, Closing, Delivery, Funding, Compliance, and Legal
Starting April 14, 2017

Continue to review these updates thoroughly for awareness of the guideline revisions being implemented on April 21, 2017.

Starting April 21, 2017

Apply the guidelines as outlined in this bulletin and related Before and After Matrices.

By May 19, 2017

Review existing pipeline of LPA loans to ensure loans underwritten to current asset and income guidelines are purchased by SunTrust Mortgage by this date.

Former Guidelines

See the before and after matrix provided in the Bulletin Details section of this bulletin to access the former asset guidelines. See the before and after matrices provided in Correspondent Bulletin [COR17-013](#) to access the former income guidelines.

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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