

Product Support Bulletin



Information for Correspondent Lenders of SunTrust Mortgage, Inc.
December 15, 2017 • COR17-048

Alert

Update

Reminder

Clarification

Training
Information

Preview

Important Information on Texas 50(a)(6) Loans Originated in 2018

SunTrust Mortgage, Inc. announces that Agency Texas Section 50 (a)(6) mortgages closed during the first 12 days of 2018 are ineligible for purchase.

Intended Audience

Origination
Processing

Secondary
Marketing

Underwriting

Closing
Delivery
Funding

Compliance
Legal

Other

Effective Dates

Monday, January 1, 2018
Effective for Texas 50 (a)(6)
cash-out refinances closed
on or after this date.

Background Information

Recently approved amendments to the Texas state constitution that affect home equity lending will require that borrowers receive a revised notice at least 12 days prior to closing a Texas Section 50 (a)(6) mortgage. As a result, Fannie Mae advised SunTrust Mortgage that they will not purchase Texas Section 50(a)(6) loans closed during the first 12 days of 2018.

Bulletin Details

SunTrust Mortgage aligns with Fannie Mae and will not purchase Texas Section 50 (a)(6) cash-out refinance transactions closed during the first 12 days of 2018.

Note: Fannie Mae will provide detailed guidance regarding Texas Section 50(a)(6) mortgages on December 19, 2017. Look for a future communication bulletin announcing any updates impacting our product guidelines.

Action Required

Origination, Processing, Secondary Marketing, Underwriting, Closing, Delivery, Funding, Compliance, and Legal Starting January 01, 2018
Do not deliver Texas Section 50 (a)(6) mortgages to SunTrust Mortgage that were closed during the first 12 days of 2018.

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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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