

Product Support Bulletin

Information for Correspondent Lenders of SunTrust Bank
August 3, 2018 • COR18-042



Alert

Update

Reminder

Clarification

Training
Information

Preview

Improved Fraud Prevention Guidelines

SunTrust Bank (SunTrust) revises certain guidelines pertaining to fraud prevention in the *Correspondent Seller Guide*.

Effective Dates

Effective on or after August 6, 2018, for all loans submitted to underwriting and all delegated loans submitted for purchase.

Background Information

SunTrust recently reviewed the material in our *Correspondent Seller Guide* pertaining to fraud prevention and identified opportunities to improve our published guidelines.

Bulletin Details

Occupancy Misrepresentation – Red Flags

We added the following two additional red flags concerning purchase transactions:

- Loan purpose is a second home, yet the borrower is utilizing gift funds to purchase.
- The borrower has no prior homeownership experience, is purchasing an investment property, and will be relying on future rents to qualify.

Ineligible Settlement Agent Guidelines

We removed a sentence regarding the SunTrust Ineligible List that indicated the List was required to be checked at application only, when the settlement agent is initially determined.

Revised Material

Click [Section 1.05a: Occupancy Misrepresentation - Red Flags](#) and [Section 1.39: Ineligible Settlement Agent Guidelines](#) to review the revised material.

Former Guidelines

The two additional red flags referenced above were not previously included in our list of red flags for purchase transactions.

Our Ineligible Settlement Agent Guidelines previously stated that the SunTrust Ineligible List was required to be checked at application only, when the settlement agent is initially determined.

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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 3.

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