

# Product Release

Information for Correspondent Lenders of SunTrust Bank  
October 11, 2019 • COR19-047



Alert

**Update**

Reminder

Clarification

Training  
Information

Preview

## Agency Guideline Revisions

SunTrust Bank (SunTrust) revises Agency product guidelines to more closely align with recently announced Fannie Mae updates. With these updates we:

- streamline Desktop Underwriter<sup>®</sup> (DU<sup>®</sup>) appraisal waiver eligibility for refinance transactions
- clarify the following:
  - construction-to-permanent (CP) guidelines to reflect that manufactured housing ineligibility is an overlay
  - debt-to-income (DTI) tolerances and DU resubmission trigger guidance
  - renovation escrow account requirements for HomeStyle<sup>®</sup> Renovation mortgages

### Effective Dates

All updates are effective immediately for existing and new loan applications on or after October 11, 2019.

### Background Information

Fannie Mae SEL-2019-07 announced updates impacting several Agency guidelines. In response to this publication, we reviewed impacted guidelines and identified opportunities to implement revisions to more closely align with Fannie Mae requirements.

### Bulletin Details

#### DU Appraisal Waivers

To streamline appraisal waiver eligibility for refinance transactions, we align with Fannie Mae and remove the requirement that the borrower name on the loan casefile must match the borrower name on the prior appraisal.

#### CP Single-Closing and Two-Closing Transactions

For non-AUS and DU loans, we clarify CP single-closing and two-closing guidelines to reflect that manufactured housing ineligibility is an overlay. Manufactured housing continues to remain ineligible for all loan programs.

#### DTI Tolerances and DU Resubmission

We clarify DTI tolerances (for non-AUS and DU loans) and resubmission trigger guidance (for DU loans) to align with Fannie Mae's existing requirements. For further clarification, we added DU resubmission examples based on DTI triggers to our guidelines.

#### HomeStyle Renovation Mortgage – Renovation Escrow Account Clarification

For non-AUS and DU HomeStyle Renovation mortgages, we clarify that all applicable renovation funds must meet existing renovation escrow account requirements at the time the loan is delivered to SunTrust for purchase.

#### Before and After Matrix

[Click here](#) to see the before and after matrix that provides a detailed overview of all updates.

#### Revised Materials

Click [Agency Loan Programs](#) to review the revised product materials.

# Product Release

Information for Correspondent Lenders of SunTrust Bank  
October 11, 2019 • COR19-047



## Former Guidelines

See the before and after matrix provided in the Bulletin Details section of this bulletin to access the former guidelines.

## Other Resources

Support Group	Description and Contact Information:
Correspondent Relations Coordinator	Specific questions on applying this procedure to specific loan files. Contact Correspondent Relations Coordinators at 800.382.2111, Option 1.
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.

This information is for use by mortgage professionals only and should not be distributed to or used by consumers or other third parties. This is not for solicitation of sales. Information is accurate as of date of posting and is subject to change without current product details and lending procedure. SunTrust does not guarantee or assume liability for any third-party products or services. ©2019. SunTrust Banks, Inc. SunTrust and the SunTrust logo are trademarks of SunTrust Banks, Inc. All rights reserved.