

# Correspondent Mortgage Bulletin

Information for Correspondent Lenders of SunTrust Mortgage, Inc.

February 7, 2014 • COR14-021



Alert

Update

Reminder

Clarification

Training  
Information

Preview

## Clarifications Regarding Transactions in the State of Texas

SunTrust Mortgage, Inc. provides clarifications regarding refinance transactions in the state of Texas.

### Intended Audience

Origination  
Processing

Secondary Marketing

Underwriting

Closing  
Delivery  
Funding

Compliance  
Legal

Other

### Effective Dates

**Friday, February 7, 2014**

Effective for new and existing loan applications on or after this date.

### Background Information

On October 18, 2013, we announced enhancements for refinance transactions in the state of Texas, as previously published in bulletins [COR13-101](#) and [COR13-100](#). We recognized an opportunity to clarify our published guidelines, resulting in a better experience for our correspondent lenders.

### Bulletin Details

#### Texas Automatic Subordinations

The Texas Automatic Subordination Checklist (COR 1380) now includes revisions to conform with the updates we previously published in bulletin [COR13-101](#).

**Note:** As a reminder, this checklist is only required if the subordinate financing is a SunTrust loan.

#### Agency Texas Section 50(a)(6) Cash-Out Refinances

The Texas Home Equity 3% Cap Fee Worksheet is not required for correspondent transactions, and no longer appears in our product description for Agency Texas Section 50(a)(6) cash-out refinances.

#### Revised Material

Click [Texas Automatic Subordination Checklist \(COR 1380\)](#) and [Texas Cash-Out \[50\(a\)\(6\)\] Refinance First Mortgages](#) to review the revised material.

### Action Required

#### Correspondent Lenders Starting February 7, 2014

Review this bulletin and be aware of the clarifications pertaining to refinance transactions in the state of Texas.

Begin using the revised Texas Automatic Subordination Checklist (COR 1380) when required for the transaction, and discard any earlier versions of this checklist.

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## Former Guideline

The Texas Automatic Subordination Checklist (COR 1380) previously indicated that a Home Equity Line of Credit (HELOC) was not eligible for re-subordination.

Our guidelines for Agency Texas Section 50(a)(6) cash-out refinances previously referenced a Texas Home Equity 3% Cap Fee Worksheet, which is not required for Correspondent transactions.

## Other Resources

Support Group	Description and Contact Information:
Account Manager or Correspondent Relations Coordinator	Specific questions on applying this procedure to specific loan files. Direct contact information for each account manager or correspondent relations coordinator is located in General Section 1.01: The Correspondent Division
Resource Center	Provides phone and email support on products, policies, and procedures as well as new product rollout and existing product enhancement. Contact the Resource Center at 800.382.2111, Option 1, Option 2.

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