

Correspondent Mortgage Bulletin

Information for Correspondent Lenders of SunTrust Mortgage, Inc.

July 3, 2014 • COR14-073



Alert

Update

Reminder

Clarification

Training
Information

Preview

Qualified Mortgage Points and Fees Caps Specified

SunTrust Mortgage, Inc. specifies the points and fees caps for Qualified Mortgages in the *Correspondent Seller Guide*.

Intended Audience

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

Friday, January 10, 2014

The regulatory requirements for Qualified Mortgage Points and Fees are effective with applications dated on or after this date.

Background Information

On January 10, 2013 the Consumer Financial Protection Bureau (CFPB) issued its final regulations for a new Qualified Mortgage Points and Fees test along with Section 32 test changes.

In reviewing our published guidelines, SunTrust Mortgage determined that Section 1.35: Compliance Overview in the *Correspondent Seller Guide* needed to include the specific caps of the Qualified Mortgage Points and Fees Test.

Bulletin Details

Qualified Mortgage Points and Fees Test

Points and fees caps are based on loan amount and are either a percentage or fixed dollar amount:

- Loan amounts greater than or equal to \$100,000 = 3%
- Loan amounts greater than or equal to \$60,000 and less than \$100,000 = \$3,000
- Loan amounts greater than or equal to \$20,000 and less than \$60,000 = 5%
- Loan amounts greater than or equal to \$12,500 and less than \$20,000 = \$1,000
- Loan amounts less than \$12,500 = 8%

Note: The CFPB will adjust the dollar amount caps annually for inflation.

Action Required

Origination, Processing, Underwriting, Closing, Delivery, Funding, Compliance, and Legal

Starting July 3, 2014

You may access the Qualified Mortgage Points and Fees Test information in Section 1.35: Compliance Overview in the *Correspondent Seller Guide* on or after this date.

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Bulletin Details, continued

Qualified Mortgage Points and Fees Test, continued

Correspondent lenders are urged to consult with their Compliance Officer or Legal Counsel for information, interpretation, and/or additional requirements related to Qualified Mortgages of Regulation Z.

Revised Materials

Click [SunTrust Compliance Overview](#) to review the revised material.

Former Guideline

Qualified Mortgage Points and Fees Test

There are loan amounts and maximum total points and fees that a loan amount cannot exceed.

Correspondent lenders are urged to consult with their Compliance Officer or Legal Counsel for information, interpretation, and/or additional requirements related to Qualified Mortgages of Regulation Z.

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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