

Correspondent Mortgage Bulletin

Information for Correspondent Lenders of SunTrust Mortgage, Inc.

January 10, 2014 • COR14-010



Alert

Update

Reminder

Clarification

Training
Information

Preview

SunTrust Mortgage, Inc. Will Only Purchase FHA Safe Harbor Qualified Mortgages

Based on HUD's definitions of Qualified Mortgage (QM), SunTrust Mortgage will only purchase FHA loans that meet the Safe Harbor QM definition. FHA loans that meet the Rebuttable Presumption QM definition are not eligible for purchase by SunTrust Mortgage.

Intended Audience

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

Friday, January 10, 2014
Effective for FHA case numbers assigned on or after this date.

Background Information

As a result of the final rule issued by the Consumer Finance Protection Bureau concerning Qualified Mortgages, HUD issued its own final rule which identifies two types of QM loans: Safe Harbor and Rebuttable Presumption.

Safe Harbor QM loans have an Annual Percentage Rate (APR) threshold that is equal to or less than the sum of the annual FHA Mortgage Insurance Premium (MIP) plus 1.15%. Rebuttable Presumption QM loans have an APR threshold that is greater than the sum of the FHA MIP plus 1.15%.

Bulletin Details

Government Purchases

SunTrust Mortgage will only purchase FHA loans that are QM Safe Harbor loans as defined by HUD.

As a reminder, as previously published in Correspondent bulletin [COR 14-003](#), SunTrust Mortgage will not purchase any HPML loans with applications on or after January 10, 2014.

Action Required

Closing, Delivery, Funding, Legal, and Compliance Starting January 10, 2014

Only submit closed FHA loans to SunTrust Mortgage that meet HUD's QM definition of Safe Harbor.

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Bulletin Details, continued

Disclaimer

Information contained in this bulletin should not be deemed to constitute the provision of legal/compliance advice by SunTrust Mortgage. Correspondent lenders are urged to consult with their legal/compliance departments for information, interpretation, and/or additional requirements related to these regulations.

Revised Materials

Click [FHA 203b Loan Program](#) and [Loan Delivery and Purchase Review](#) to review the revised material.

Former Guideline

HUD's Qualified Mortgage definitions are not applicable to FHA Case Numbers assigned prior to January 10, 2014.

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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