

Product Support Bulletin

Information for Correspondent Lenders of SunTrust Mortgage, Inc.
February 23, 2018 • COR18-009



Alert

Update

Reminder

Clarification

Training
Information

Preview

Key Loan Program Clarifications for Bankruptcy and Salaried Borrowers

SunTrust Mortgage, Inc. clarifies Key Loan Program guidance regarding the waiting period for Chapter 7 and Chapter 11 bankruptcies and also clarifies tax return requirements for salaried borrowers.

Effective Dates

There is no new effective date, as this guidance is already in place.

Background Information

SunTrust Mortgage looks for opportunities to improve guidelines for its Correspondent lenders. In a recent review, opportunities were discovered to clarify guidance.

Bulletin Details

Chapter 7 and Chapter 11 Bankruptcy Waiting Period

A borrower must have been discharged or dismissed from a Chapter 7 or 11 bankruptcy at least seven (7) years prior to loan application.

Salaried or Hourly Wage Borrower Federal Income Tax Return Requirements

Salaried or hourly wage borrowers must provide two (2) years federal income tax returns. The borrower may provide W-2 transcripts in lieu of federal income tax returns or actual W-2's, but not in lieu of both.

Revised Material

Click [Key Loan Program](#) to view the revised material.

Former Guidelines

Previously, Key Loan Program bankruptcy guidance had conflicting guidelines. The waiting periods for Chapter 7 and Chapter 11 bankruptcies stated 7 years, but also had a 4 year waiting period guideline included in the section.

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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 4.

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