

Product Support Bulletin

Information for Correspondent Lenders of SunTrust Mortgage, Inc.
June 8, 2018 • COR18-030



Alert

Update

Reminder

Clarification

Training
Information

Preview

Enhancements for FHA Transactions

SunTrust Mortgage, Inc. is pleased to announce enhancements to Federal Housing Administration (FHA) transactions with expanded debt-to-income (DTI) ratios and removal of overlay for waiting period for bankruptcy, foreclosure and short sale on jumbo loans.

Effective Dates

Expanded DTI is effective for new locks beginning Friday, June 8, 2018

Overlay removal is effective for new and existing applications beginning Friday, June 8, 2018

Background Information

SunTrust Mortgage reviewed FHA guidelines and identified opportunities to more closely align with FHA.

Bulletin Details

For loans receiving AUS approval, the maximum DTI of 55% for borrowers with credit scores ≥ 660 applies.

For jumbo loans, align with FHA seasoning requirements for borrowers with a bankruptcy, short sale and/or foreclosure.

Revised Materials

Click [FHA 203\(b\) Loan Program](#) and [Correspondent Government Overlay Matrix](#) to review revised materials.

Former Guidelines

Previously, the maximum DTI for AUS approved loans was 50%. Jumbo loans required a 3-year seasoning period for borrowers with a bankruptcy.

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 3.

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