

Section 1.22 – Maximum Number of Financed Properties and Borrower Exposure

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Overview

General

The guidelines outlined in this section apply to ALL occupancy types and ALL SunTrust non-Agency loan programs. For Agency loan programs guidance, see “Multiple Financed Properties for the Same Borrower ” in the “Loan Terms” topic outlined in [Section 2.01 Agency Loan Programs](#) or [Section 2.04 DU Refi Plus™ Loan Program](#) of the *Correspondent Seller Guide* for guidelines.

Related Bulletins

General

Related bulletins are provided below in PDF format. To view the list of published bulletins, select the applicable year below.

- [2018](#)
 - [2017](#)
 - [2016](#)
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Maximum Number of Financed Properties - Conventional

Agency Conventional Loans

Reference: See “Multiple Financed Properties for the Same Borrower” in the “Loan Terms” topic outlined in [Section 2.01 Agency Loan Programs](#) or [Section 2.04 DU Refi Plus™ Loan Program](#) of the *Correspondent Seller Guide* for guidelines.

Portfolio Conventional Loans

- Maximum number of financed properties is limited to four (4).
 - The number of financed properties is combined for all borrowers on the loan to determine the total number of financed properties, regardless of whether or not the borrowers are married. It is not acceptable to calculate the total number of financed properties by each individual borrower.
 - Follow the loan product guidelines for LTVs, credit score, reserve, etc. requirements.
 - Home equity lines/loans originated and serviced by SunTrust Bank must be included in the total dollar amount of exposure.
 - The financed property limit:
 - applies to the number of one- to four-unit residential properties where the borrower is personally obligated on the mortgage(s);
 - applies to the total number of properties financed, not to the number of mortgages on the property;
 - includes the borrower’s primary residence if it is financed;
 - is cumulative for all borrowers (though jointly financed properties are only counted once); and
 - applies to properties owned by a corporation, S-Corporation, partnership or LLC of which the borrower is a participant.
 - The following property types are not subject to these limitations, even if the borrower is personally obligated on a mortgage on the property:
 - commercial real estate,
 - multifamily property consisting of more than four units,
 - ownership in a timeshare,
 - ownership of a vacant commercial lot, or
 - ownership of a manufactured home on a leasehold estate not titled as real property (chattel lien on the home).
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Maximum Number of Financed Properties - Conventional, Continued

Non-Agency Conventional Loans, (continued)

- **Property Types Included from the Maximum Number of Financed Properties**
The following property types are ***included*** in the maximum number of financed properties:
 - Residential properties including single-family, 2-4 unit properties, condominium, lot, land, PUD (attached and detached), cooperatives, manufactured housing, row house, and townhouse.
 - Any obligation on a mortgage debt for residential property, regardless of whether the borrower has ownership interest in the property,

Notes:

- Manufactured housing is not eligible for purchase by SunTrust,
- Joint ownership of residential real estate is considered the same as total ownership of an individual property. Other properties owned or financed jointly by the borrower and co-borrower are only counted once.
- Residential properties that have a commercial lien against them,
- Residential properties that the borrowers purchased for elderly parents or a disabled child,
- Joint or total ownership of a property that is held in the name of a corporation or S-corporation, even if the borrower is the owner of the corporation; however the financing is in the name of the borrower;
- Ownership of property that is held in the name of a limited liability company (LLC) or partnership where the borrower(s) have an individual or combined ownership in the LLC or partnership of 25% or more, regardless of the entity (or borrower) that is the obligor on the mortgage,
- Ownership of a property that is held in the name of an LLC or partnership where the borrower(s) have an individual or combined ownership in the LLC or partnership of less than 25% and the financing is in the name of the borrower.
- Ownership of a manufactured home and the land on which is situated that is situated on land that is titled as real property.

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Maximum Exposure

General

Agency Loans

For Agency loans, SunTrust does not limit the total number of loans available to an individual borrower or the outstanding dollar total of loans held by SunTrust.

Non-Agency Loans

- To mitigate risk, SunTrust limits the total number of loans available to an individual borrower and the outstanding dollar total of loans held by SunTrust. Loans to one (1) borrower are restricted in order to limit exposure to SunTrust.
- The guidelines outlined below apply to Key and Jumbo Solution Second Mortgage loan programs.
 - Maximum total exposure of \$3 million dollars on all SunTrust balance sheet (Portfolio) loans.
 - No more than four (4) real estate residential secured loans on the STI balance sheet (Portfolio).
 - Only one (1) of the four (4) loans on the STI balance sheet can be for an investment property.
 - Home equity lines/loans originated and serviced by SunTrust Bank must be included in the \$3 million dollar total.
 - Exposure is calculated on the existing loan balance for closed end loans and the high credit limit for open end lines of credit (HELOCs).
 - In addition, all SunTrust loans in process must be included in the maximum total exposure.
 - Portfolio is defined as the following products:
 - Key Loan Program
 - Portfolio Affordable
 - Private Wealth Mortgage Loan Program
 - Doctor Loan Program
 - Portfolio Lot Loan
 - Portfolio Bridge Loan
 - Premier Mortgage (formerly Select Advantage)
 - Combo
 - Access 3
 - Premier Access 3
 - Jumbo Solution
 - SunTrust HELOC
 - Any loan in which the Note is owned by SunTrust

Exposure Determination

- For non-Agency loan transactions, lenders must review the borrower's credit report and loan application to determine total exposure to SunTrust.
 - If it is determined, that the borrower exposure exceeds the allowable number of financed properties and/or total outstanding dollar exposure, the loan is not eligible for purchase by SunTrust.
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