

Product Release

Information for Correspondent Lenders of SunTrust now Truist Bank
April 20, 2020 • COR20-015



Alert

Update

Reminder

Clarification

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Preview

Temporary Agency and Government Product Restrictions

SunTrust Now Truist Bank (Truist) implements temporary restrictions to our standard Agency, Agency Plus, HomeReady®, Home Possible®, Texas Section 50(a)(6), Federal Housing Administration (FHA), and Veterans Affairs (VA) mortgage loan programs.

Effective Dates

All updates are effective for loans locked on or after April 24, 2020.

Note: We will honor all loans locked prior to April 24, 2020. Relocks will not be permitted; however, extensions will be allowed.

Background Information

The COVID-19 pandemic is the most serious challenge that financial institutions have faced in nearly a century. Given the current economic environment challenges and market volatility, we are taking concrete steps now with interim changes to our Agency and Government products.

Bulletin Details

Temporary Agency Product Restrictions

For non-AUS, Desktop Underwriter® (DU®), and Loan Product Advisor® (LPA®) loans, the table below outlines the temporary Agency product restrictions. These temporary restrictions apply to:

- standard Agency, Agency Plus, HomeReady, Home Possible, and Texas Section 50(a)(6) mortgage loan programs
 - fixed and adjustable rate mortgage (ARM) transactions
 - all property types

Note: Current Truist Agency guidelines continue to apply outside of these restrictions (including TLTV/HTLTV ratio requirements).

Temporary Agency Product Restrictions				
Occupancy Type	Transaction Type	# of Units	Minimum Credit Score	Maximum LTV
Primary	Purchase	1	680	Refer to the applicable product description for current LTV requirements
		2-4	Not Eligible	
	Limited Cash-Out Refinance (Rate/Term)	1	680	Refer to the applicable product description for current LTV requirements
		2-4	Not Eligible	
	Cash-Out Refinance	1	680	70%
		2-4	Not Eligible	

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Bulletin Details, continued

Temporary Agency Product Restrictions, continued

Temporary Agency Product Restrictions				
Occupancy Type	Transaction Type	# of Units	Minimum Credit Score	Maximum LTV
Second Home	Purchase	1	680	70%
	Limited Cash-Out Refinance (Rate/Term)	1 <i>Available for hBBT*/hST*/Truist - to - Truist Rate/Term Refinance</i>	680	Refer to the applicable product description for current LTV requirements
	Limited Cash-Out Refinance (Rate/Term)	1 <i>Available when the existing lender is not hBBT/hST/Truist</i>	680	70%
	Cash-Out Refinance	1	Not Eligible	
Investment Property	Not Eligible			
*hBBT refers to BB&T now Truist				
*hST refers to SunTrust now Truist				

Temporary Government Product Restrictions

- For FHA loans, the table below outlines the temporary product restrictions. These temporary restrictions apply to:
 - conforming and jumbo
 - owner occupied, HUD-Approved secondary residence, and investment
 - fixed and ARM
 - all property types

Note: Current Truist FHA guidelines continue to apply outside of these restrictions (including TLTV/HTLTV ratio requirements).

Purchase Transactions

Temporary FHA Product Restrictions				
Occupancy	Number of Units	LTV	Minimum Credit Score	Maximum Debt-to Income
Owner Occupied	1	Refer to FHA guidelines for LTV limits	680	50%
	2-4	Not Eligible		
HUD-Approved Secondary Residence	1	70%	680	50%
	2-4	Not Eligible		

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Bulletin Details, continued

Temporary Government Product Restrictions, continued

Refinance Transactions

Temporary FHA Product Restrictions					
Type of Refinance	Occupancy	Number of Units	LTV/CLTV	Minimum Credit Score	Maximum Debt-to-Income
No Cash Out/ Rate-Term Refinance	Owner Occupied	1 <i>Available when the existing lender is not hBBT/hST/Truist</i>	Refer to FHA guidelines for LTV limits	680	50%
	HUD Approved Secondary Residence	1 <i>Available when the existing lender is not hBBT/hST/Truist</i>	70%	680	50%
		1 <i>Available for hBBT/hST/Truist-to- Truist</i>			
	Owner Occupied and HUD Approved Secondary Residence	2-4	Not Eligible		
Credit Qualify Streamline Refinance	Owner Occupied and HUD Approved Secondary Residence	1-4 <i>Available for hBBT/hST/Truist-to- Truist</i>	N/A	680	Refer to FHA guidelines for DTI limits
		1-4 <i>Available when the existing lender is not hBBT/hST/Truist</i>	Not Eligible		
Non-Credit Qualify Streamline Refinance	Investment Property	1-4	Not Eligible		
Cash Out	Owner Occupied	1	70%	680	45%
Cash Out	Owner Occupied	2-4	Not Eligible		

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Bulletin Details, continued

- For VA loans, the table below outlines the temporary product restrictions. These temporary restrictions apply to:
 - conforming and jumbo
 - owner occupied and investment
 - fixed rate
 - all property types

Note: Current Truist VA guidelines continue to apply outside of these restrictions (including TLTV/HTLTV ratio requirements).

Temporary VA Product Restrictions				
Loan Type	Number of Units	LTV	Minimum Credit Score	Maximum Debt-to-Income
Purchase	1	100%	680	50%
	2-4	Not Eligible		
Cash-out	1	70%	680	45%
	2-4	Not Eligible		
IRRRL Investment	1-4	Not Eligible		

Revised Materials

Click [Agency Loan Programs](#), [Fannie Mae HomeReady®](#) and [Freddie Mac Home Possible® Mortgages](#), [FHA 203b Loan Program](#), [Veterans Administration \(VA\) Loan Program](#), [Texas Section 50\(a\)\(6\) Mortgages](#), [Loan Delivery and Purchase Review](#), [Correspondent Agency Overlay Matrix](#), and [Correspondent Government Overlay Matrix](#) to review the revised product materials.

Former Guidelines

Previously, these restrictions were not in place.

Other Resources

Support Group	Description and Contact Information:
Correspondent Relations Coordinator	Specific questions on applying this procedure to specific loan files. Contact Correspondent Relations Coordinators at 800.382.2111, Option 1.
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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