

Your SunTrust Correspondent Underwriting team would like to share answers to some of our commonly asked questions. The following are just a few frequently asked **Key Jumbo** loan questions:

1. Can the borrower pay off installment debts to qualify?

Possibly - If the borrower(s) has a history of carrying installment debt and/or the type of payment (auto loan, personal note, etc.) regardless of payoff or 10 months or less remaining the debt must be included in the debt to income ratio. For example, if an auto loan was just paid off, but they have a history of a new car loan around the same amount every few years, it is reasonable to assume the debt will be recurring. You cannot exclude the payment in this example.

2. Does KEY Jumbo allow for properties with leased solar panels?

Yes - Follow Agency guidance which can be found in Section 2.01 Agency Loan Programs in the Correspondent Seller Guide under Properties with Solar Panels.

3. Do I need to apply a 5% LTV/TLTV reduction for condominium transactions?

No - As a result of the LTV enhancements effective with applications starting on October 19, 2018, SunTrust removed the blanket 5% LTV/TLTV reduction for condominium transactions. Please note, the declining markets reduction of 5% still applies to condos in the Miami/Dade MSA.

4. Are borrowers with qualifying income derived from marijuana eligible?

No - salaried or self-employed borrowers who have income derived from any facet of the marijuana industry do not have eligible income. This applies to whether marijuana is medical or recreational, as well.

5. Will you allow a borrower to qualify with an installment plan with the IRS for taxes owed?

Yes - In addition to the IRS plan documentation, you must obtain the payment history, include payment in DTI and confirm there is no lien on title. The taxes cannot be considered delinquent by the IRS, as well.

6. Are there any tools available to help with underwriting a KEY Jumbo product?

Yes - we have the Key Loan Program Eligibility Checklist (COR 0650) in our Seller Guide.

Thank you for your business!

Your SunTrust Correspondent Lending Team