



## Product Updates

### FHA Update from SunTrust Mortgage

Suntrust Wholesale is pulling out of the market for FHA loan originations for the next 20-60 days (likely around 30 days) while they evaluate a number of things. They will still offer FHA wholesale but are pricing themselves out of the market. Reason is two fold. They have had a phenomenal couple of months and need to sit back and evaluate future business with brokers.

Suntrust is very committed to the wholesale mortgage line of business and the profitability of wholesale and that it has been and remains a profitable venture for them. However Suntrust like every other lender is in new territory and the biggest issue is pull-through and the amount of money lenders are losing on hedging funds when brokers are not delivering the product. They are no different than Wells Fargo, Flagstar etc. They are closely monitoring rate locks and pull throughs on every broker operation. The brokers that have good pull through will have no issues, the ones that do not WILL have an issue. Suntrust has let go a huge percentage of their brokers. They will continue to do so based on performance.

Wholesale FHA loans with Suntrust are their highest delinquency factor in the company. They believe that this was due to many "bad" brokers that have since been terminated but they do need to prove this. They will be evaluating each brokers delinquency ratio within their originated loans in the last couple of years and hopefully will be able to determine that the remaining brokers are not a delinquency issue and wholesale FHA will continue. They WILL be compensating brokers with excellent pull through and low delinquencies as well as their corresponding loan reps (A.E.'s). They will no longer "TRAIN" brokers or tolerate submissions that are sub-par or with companies who cannot originate, process a good loan. They cannot afford to be in business with those brokers.

Think about it....SunTrust Mortgage is not any different than any other company with a commitment to stay in this business. They have cut all the corners, made the hard decisions and when it's all over will come out with good business partners who are serious and committed to the business for the long run. The single moral of this story? DO NOT LOCK LOANS until your borrower has fully committed, the loan has been run through automated approvals, looked at by me for validation, etc. We cannot afford to do business any other way. This applies to Suntrust, Wells Fargo or any other lender. We need to keep the lenders we have healthy, with lots of incentive to lend money.....only then can we continue in this business that for some reason we all love.

**Tony Greer**  
**Account Executive**

P: 404.303.2627

F: 404.214.8666

C: 478.258.4820

Email:

[tony.greer@suntrust.com](mailto:tony.greer@suntrust.com)

[www.STMPartners.com](http://www.STMPartners.com)

**Contact me today!**

**STMPartners.com**

You're good. We're good.  
Together we're great.

**Opt-Out Instructions:**

This is a promotional email from SunTrust Mortgage, Inc. If you prefer not to receive product-specific marketing emails in the future, please [unsubscribe here](#) or send your email address to [donotemail@suntrust.com](mailto:donotemail@suntrust.com). Please note, opting out of these product-specific marketing emails does not mean you will be opting out of all future email communications from SunTrust Mortgage, Inc.

**Privacy and Security**

Keeping your financial information secure is one of our most important responsibilities. For an explanation of how we manage client information, please read our [Privacy and Security Policy](#).



The information contained herein is intended as informational material for the sole and exclusive use of the business entities to which it was distributed and is subject to change without written notice.

Equal Housing Lender. SunTrust Mortgage, Inc., 901 Semmes Avenue, Richmond, VA 23224 is licensed by the Department of Corporations under the California Residential Mortgage Lending Act; is an Illinois Residential Mortgage Licensee; is a Lender in Massachusetts having Mortgage Lender license #s ML1216, ML0133, ML1432, ML1914, ML1913, ML1815, ML2411, ML1214, ML2442, ML2491, and ML2538; is licensed by the New Hampshire Banking Department; is licensed by the New Jersey Department of Banking and Insurance, toll free 1-800-330-4684; is a licensed lender in Rhode Island; is doing business in Arizona as Crestar Mortgage, 7250 N. 16th Street, Ste. 100, Phoenix, AZ 85020 and is doing business in New York at 145 Pinelawn Road, Suite 330, Melville, NY 11747. ©2009, SunTrust Banks, Inc. SunTrust is a federally registered service mark of SunTrust Banks, Inc.