

Product Release

Information for Correspondent Lenders of SunTrust now Truist Bank
January 17, 2020 • COR20-006



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Agency Property Insurance Guideline Revision

SunTrust now Truist Bank (Truist) revises Agency non-AUS, Desktop Underwriter® (DU®), and Loan Product Advisor® (LPA®) property insurance guidelines as a result of a recently announced Freddie Mac update. With this update we revise the minimum A.M. Best Company property insurance rating requirements for U.S. insurers and reinsurers.

Effective Dates

This update is effective immediately for new loan applications on or after January 17, 2020.

Background Information

Freddie Mac Bulletin 2019-5 announced an update impacting LPA property insurance guideline requirements. In response to this publication, we reviewed impacted guidelines for all underwriting methods and identified the opportunity to implement revisions to LPA guidelines to align with Freddie Mac requirements and to implement revisions to non-AUS and DU property insurance guidelines for best execution purposes.

Bulletin Details

Property Insurance Rating Requirements

For non-AUS, DU, and LPA loans, we revise property insurance rating requirements to require a minimum A.M. Best Financial Strength Rating of B+/III for U.S. insurers (and reinsurers).

Note: Freddie Mac requires this revised rating requirement. This revision is an overlay for non-AUS and DU loans, being implemented for best execution purposes.

Before and After Matrix

[Click here](#) to see the before and after matrix for a detailed overview of this update.

Revised Materials

Click [Agency Loan Programs](#) and [Correspondent Agency Overlay Matrix](#) to review the revised product materials.

Former Guidelines

See the before and after matrix provided in the Bulletin Details section of this bulletin to access the former guidelines.

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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