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Preview

FHA Private Flood Insurance

HUD published a final rule to revise FHA regulations to allow for acceptance of Private Flood Insurance (PFI) policies.

Effective Dates

Effective for existing and new applications on or after March 3, 2023.

Background Information

On November 21, 2022, HUD published a final rule to revise FHA regulations to allow for acceptance of Private Flood Insurance (PFI) policies that meet FHA’s requirements in lieu of a National Flood Insurance Program (NFIP) policy. FHA’s updated flood insurance policy requirements will now generally align with the requirements of other federal agencies, differing where needed to protect borrowers and the Mutual Mortgage Insurance (MMI) Fund.

Bulletin Details

Effective March 3, 2023, Truist aligns with HUD’s revision to allow for Private Flood Insurance (PFI) policies that meet FHA’s requirements in lieu of National Flood Insurance Program (NFIP) policies.

The Truist Seller Guide, Section 1.14, has been updated as follows:

- Private flood insurance policies must be approved by the Truist Compliance Department.

Lenders should consult with their Direct Endorsement (DE) underwriters with any questions.

Revised Material

Click [Hazard and Flood Insurance Standard](#) to review the revised material.

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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