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## Agency LPA Trended Credit Data and Flood Insurance Premium Revisions

Truist Bank (Truist) revises Agency Loan Product Advisor® (LPA<sup>SM</sup>) requirements to align with recently announced Freddie Mac updates. With these updates we:

- revise requirements related to the inclusion of trended credit data in credit reports
- add a new requirement for including the full flood insurance risk premium when calculating the housing expense-to-income and debt payment-to-income ratios

### Effective Dates

- The trended credit data in credit reports update is effective for initial LPA submissions on or after August 04, 2024.
- The flood insurance premium used for qualifying update is effective for LPA loans with note dates on or after September 05, 2024.

### Background Information

Freddie Mac Bulletin 2024-6 announced an update related to the use of trended credit in credit reports for LPA transactions. Freddie Mac Bulletin 2024-7 announced a new requirement regarding the flood insurance premium used for qualifying. In response to these publications, we reviewed impacted standard documents and identified the need to implement revisions to align with Freddie Mac requirements.

### Bulletin Details

#### Use of Trended Credit in Credit Reports

For LPA loans, we revise requirements to state that all credit reports submitted to LPA must include trended credit data. Trended credit data is expanded credit information reflecting historical tradeline data such as balances, scheduled payments, and actual payments reported for each month over an extended period of time.

#### Flood Insurance Premium Used for Qualifying

For LPA loans, we revise qualifying ratio requirements to state that if a flood insurance policy on the mortgaged premises shows a full risk premium and a discounted premium, the full risk premium, plus any fees and surcharges, must be used to calculate the housing expense-to-income and debt payment-to-income ratios.

#### Before and After Matrix

[Click here](#) to see the before and after matrix that provides a detailed overview of all standard revisions.

#### Revised Material

Click [Agency Loan Standard](#) to review the revised product material.

## Former Standards

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

## Other Resources

Support Group	Description and Contact Information:
Correspondent Relationship Coordinator	Specific questions on applying this procedure to specific loan files. Contact your Correspondent Relationship Coordinator 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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