

# Product Support Bulletin



Information for Correspondent Lenders of SunTrust Mortgage, Inc.  
May 8, 2015 • COR15-025

Alert

**Update**

Reminder

Clarification

Training  
Information

Preview

## Maximum Allowable FEMA Flood Insurance Deductibles

SunTrust Mortgage, Inc. updates our maximum allowable Federal Emergency Management Agency (FEMA) flood insurance deductibles.

### Intended Audience

<b>Origination Processing</b>	Secondary Marketing	<b>Underwriting</b>	<b>Closing Delivery Funding</b>	<b>Compliance Legal</b>	Other
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### Effective Dates

#### Friday, May 8, 2015

Effective for both existing and new loan applications on or after this date.

### Background Information

The Homeowner Flood Insurance Affordability Act of 2014 (HFIAA) provided a new maximum allowable FEMA flood insurance deductible limit. This provided SunTrust Mortgage with an opportunity to improve our guidance and requirements for maximum allowable flood insurance deductibles.

### Bulletin Details

#### New Maximum Allowable FEMA Flood Insurance Deductibles

Unless a higher maximum amount is required by state law, the below chart provides SunTrust Mortgage's maximum allowable FEMA flood insurance deductibles:

Loan Program	Maximum Allowable FEMA Deductible
FHA & VA	\$5,000 for a single family one-four unit dwelling and \$25,000 for a condominium building
Agency Loan Programs and Key Loan Program	\$10,000 for a single family one-four unit dwelling and \$25,000 for a condominium building
<b>Note:</b> Lower deductibles are permitted.	

### Action Required

**Origination, Processing, Underwriting, Closing, Delivery, Funding, Compliance, and Legal Starting May 8, 2015**

Begin using the increased maximum allowable FEMA flood insurance deductibles.

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## Bulletin Details, continued

### Revised Materials

Click [Hazard and Flood Insurance Guidelines](#) to view the revised materials.

### Former Guidelines

Previously, SunTrust Mortgage's maximum allowable FEMA flood insurance deductible was \$5,000. FHA transactions were previously limited to a maximum flood insurance deductible of \$1,000.

## Other Resources

Support Group	Description and Contact Information:
Correspondent Relations Coordinator	Specific questions on applying this procedure to specific loan files. Direct contact information for each correspondent relations coordinator is located in General Section 1.01: The Correspondent Division.
Emerging Banker Account Executive	Specific questions on applying this procedure to specific loan files. Direct contact information for each account executive is located in General Section 1.01: The Correspondent Division.
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 4.

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