



# Guide Update 26-16: Insurance

Effective: 07/06/26

## Summary of Changes

Primary Audience: Insurance

### HIGHLIGHTS

**Effective for Mortgage Loans placed under application on or after July 6, 2026 and for insurance policy renewals on or after September 22, 2026**, updated various insurance requirements in:

- Part II, Chapter 5: Property and Liability Insurance; and
- Part V, Chapter 4: Asset Management: Loan Document Administration.

### Primary Changes

Updated:

- Part II, Chapter 5: Property and Liability Insurance to:
  - remove the A.M. Best Financial Size Category VII requirement for insurance carriers, while retaining the A- or better standard; and
  - clarify requirements for:
    - private flood insurance maximum deductibles; and
    - terrorism coverage amounts; and
- Part V, Chapter 4: Asset Management: Loan Document Administration, removing the requirement for:
  - an A.M. Best Financial Size Category VII rating for renewal policies; and
  - immediate replacement coverage solely because a carrier is downgraded below B++.

### Questions



Please contact [drawer\\_insurance@fanniemae.com](mailto:drawer_insurance@fanniemae.com) with any questions.