



DBRS and Morningstar Credit Ratings Provide Notification on Methodology Decisions for U.S. Single-Family Rental Interest-Only Classes

Sept. 12, 2019 - On July 11, 2019, Morningstar Credit Ratings (MCR) and DBRS, Inc. (DBRS; together, DBRS Morningstar) published their first announcement regarding the integration of the analytical teams focused in the U.S. structured finance market. Today's press release is the sixth in a series to keep the market updated on analytical integration decisions and is focused on the U.S. single-family rental asset class.

[DBRS and Morningstar Credit Ratings Announce Analytical Integration Process and Ratings Overlap](#)

Interest-Only Classes: Single-Family Rental

DBRS Morningstar conducted an analysis of the U.S. single-family rental asset class and concluded that for new and outstanding MCR single-family rental ratings on interest-only (IO) classes, ratings will be determined using DBRS's Rating North American CMBS Interest-Only Certificates Methodology (the IO Methodology).

The IO Methodology sets forth the applicable reference obligation approach that is used to assign and monitor ratings for CMBS IO classes. This approach has also been determined to be applicable to single-family rental transactions. The IO Methodology will also be applied to all outstanding MCR IO classes for single-family rental transactions.

The notification period related to the methodology selection will close on September 30, 2019, and the rating actions in respect of the relevant transactions using the selected methodology are expected to be taken thereafter.

For analytical inquiries regarding this press release, please contact Quincy Tang, Managing Director, U.S. RMBS.

For more information related to rating actions taken by MCR on outstanding IO classes, please see the following press release:

[Morningstar Credit Ratings Places Ratings on Interest-Only U.S. Single-Family Rental Classes Under Review](#)

Notes:

Unless otherwise noted, all data provided in this press release is as of September 12, 2019, and is preliminary and subject to change.

For more information on the transactions rated by DBRS, please visit www.dbrs.com or contact DBRS at info@dbrs.com. For transactions rated by MCR, please visit www.morningstarcreditratings.com or contact ratingagency@morningstar.com.

For rating engagement inquiries regarding the U.S. RMBS asset class coverage or any asset classes not listed, please contact Sean O'Connor, Managing Director, Head of Global Business Development.

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