



DBRS and Morningstar Credit Ratings Provide Status Update on Analytical Integration Process for Government-Sponsored Enterprise and Mortgage Insurance Credit Risk Transfer Transactions

Sept. 30, 2019 - On July 11, 2019, Morningstar Credit Ratings, LLC (MCR) and DBRS, Inc. (DBRS; together, DBRS Morningstar) published their first announcement regarding the integration of the analytical teams focused on the U.S. Structured Finance market.

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

On August 30, 2019, DBRS Morningstar published a press release — the third in a series — that described the first set of decisions regarding the U.S. residential mortgage-backed securities (RMBS) sector. At that time, DBRS Morningstar determined that DBRS’s RMBS Insight 1.3: U.S. Residential Mortgage-Backed Securities Model and Rating Methodology will be used to assign new ratings in the following asset classes:

Asset Classes

Private label or prime jumbo RMBS

Non-qualified mortgage RMBS

Seasoned performing or re-performing loan securitizations

Home equity line of credit securitizations

ReREMICs (or re-securitizations)

For more information, please see the following press release:

[DBRS and Morningstar Credit Ratings Confirm U.S. RMBS Asset Class Coverage](#)

Today’s press release is the eleventh in a series to keep the market updated on the progress of the analytical integration and is also focused on the U.S. RMBS sector, notably the Government-Sponsored Enterprise Credit Risk Transfer (GSE-CRT) and Mortgage Insurance Credit Risk Transfer (MI-CRT) asset classes.

DBRS Morningstar is continuing to conduct an analysis of these two asset classes to determine the methodology(ies) that will be used to assign new ratings to GSE-CRT and MI-CRT transactions. As of today, no decision regarding the methodology selection has been made. DBRS Morningstar will endeavor to publish its methodology selection decision within six to eight weeks from the date of this press release. This expected timeline remains subject to change.

Following the publication of this decision, the selected methodology(ies) will be applied to relevant outstanding ratings. The application of the selected methodology(ies) to the relevant outstanding classes may result in changes to outstanding DBRS and/or MCR ratings in these two asset classes.

As noted in the July 11, 2019, press release, until the analytical integration process is finalized, MCR and DBRS will each issue and monitor credit ratings in accordance with their respective methodologies, policies, procedures and published rating scales, except as described in published analytical integration press releases.

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

Quincy Tang
qtang@dbrs.com
+1 212 806-3256

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.

Sean O'Connor
soconnor@dbrs.com
+1 212 806-3252

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.

Stephen Bernard
sbernard@dbrs.com
+1 212 806-3240

Vanessa Sussman
vanessa.sussman@morningstar.com
+1 646 560-4541