

PFI Advisory

July 11, 2003

Special Attention:

PFI's MPF Program Management, PFI's Origination Management, and PFI's Servicing Management

Subject:

Revised Uniform Residential Loan Application (FNMA Form 1003 / FHLMC Form 65)

The Uniform Residential Loan Application, (FNMA Form 1003 / FHLMC Form 65), and all of its supplements*, have been revised. **The use of these revised forms will be required for loan applications taken beginning January 1, 2004. It should not be used prior to that date.** We want you to be aware of these revisions at this time so you may take the steps necessary to prepare for the use of these forms in January. The new forms are available in AllRegs[®] (www.AllRegs.com) or you may contact your current forms vendor to obtain copies.

The application form has been revised to provide lenders with a means of collecting additional borrower-related information required by revisions to the Home Mortgage Disclosure Act (HMDA) and some of the information required under the USA Patriot Act. Revisions were also made to ensure that the application covers all business channels, including those that use electronic applications that may be governed under federal and state laws, such as the federal Electronic Signatures in Global and National Commerce Act (E-SIGN) and the Uniform Electronic Transactions Act (UETA). As the implementation date approaches, we will publish the new data requirements and transition rules that are necessitated by the changes in the HMDA reporting requirements and the new USA Patriot Act. A summary of the changes that were made to the Uniform Residential Loan Application is presented below.

- In "Section I. Type of Mortgage and Terms of Loan", for type of mortgage applied for, FmHA was changed to USDA/Rural Housing Service.
- In "Section III. Borrower Information", Age was changed to Date of Birth.
- In "Section III.", one of the spaces available for previous address was changed to provide for mailing address when it is different from present address.
- "Section IX. Acknowledgment and Agreement", was modified for clarification and expanded to address electronic and facsimile transmission of the application.
- "Section X. Information for Government Monitoring Purposes", was changed to include borrower ethnicity, modify the race classifications, and to include the Internet as an option by which the application is taken.

* *The Application supplements are the Statement of Assets and Liabilities (FNMA Form 1003A / FHLMC Form 65A), the Uniform Residential Loan Application -- Spanish Version (Form 1003(S)) and the Statement of Assets and Liabilities -- Spanish Version (Form 1003A (S)).*

If you have any questions about these changes, please contact your MPF Bank Representative or call the MPF Customer Support Desk at 877-INFO-MPF (877-463-6673).

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