

PFI Notice 2006-7

December 21, 2006

Effective Date

January 1, 2007

Special Attention:

PFI's MPF[®] Program Management, PFI's Origination Management and PFI's Servicing Management

Subject:

Announcing enhancements to the Underwriting, Origination, and Servicing Guides:

- Conventional Loan Limits for 2007
- Revision of MPF Rate and Fee Schedule Retrieval Options

Enhancements will affect the following Guide Chapters:

Underwriting Guide Chapter 2	Mortgage Eligibility
Origination Guide Chapter 19	Delivery Commitments
Servicing Guide Chapter 111	Directory And Notices

Description of Changes:

The following revisions have been made to the Underwriting, Origination and Servicing Guides

Underwriting, Origination and Servicing Guide Revisions

New Conventional Loan Limits for 2007 (UG Chapter 2.1)

We are retaining the 2006 conventional loan limits (originally announced in PFI Notice 2005-7) as the conventional loan limits for 2007. The Office of Federal Housing Enterprise Oversight (OFHEO) announced that the conventional loan limits will remain the same for 2007 due to the decline in the current national average price for single-family homes, as reported by the Federal Housing Finance Board (FHFB). The conventional loan limits are based on the change in the average home price in the Monthly Interest Rate Survey of the FHFB. The FHFB reported a decline in the average price of \$501 (0.16 %) from October 2005 to October 2006.

Below, for your reference, are the 2007 Loan Limits:

Number of Units	Maximum Original Loan Amount	Properties in Alaska, Guam, Hawaii or Virgin Islands
1	\$ 417,000	\$625,500
2	\$ 533,850	\$800,775
3	\$ 645,300	\$967,950
4	\$801,950	\$1,202,925

Discontinuation of Faxed and E-Mailed Distributions of Rate and Fee Schedules (OG Chapter 19.3)

Effective January 1, 2007, we will be discontinuing the faxed, 'Fax on Demand' and e-mailed distributions of rate and fee schedules. The rate and fee schedules for all remittance types will continue to be available on the eMPF[®] website. To access the current rate and fee schedules, begin by selecting the 'Rates & Fees' tab. Select the 'Current Rates & Fees' option in the left margin column. Then select the servicing model, product and remittance type to retrieve the specific schedule you desire. You may also retrieve archived rate and fee schedules by selecting the 'Archived Rates & Fees' option in the left margin column. For more information on the eMPF website, see the eMPF User Manual on the www.fhlbmpf.com website, under the 'eMPF Information' option in the left margin column on the main page.

The benefits of accessing the rate and fee schedules on the eMPF website are:

- Free, quick and easy access to all of the rate and fee schedules any time you need them
- Accurate and always up-to-date rate and fee information
- Lower facsimile costs for you

Additional Revisions

PFI Notice 2006-7 incorporates the following revisions:

- **Servicing Guide Chapter 111 – Directory And Notices:** We have revised Servicing Guide Chapter 111.2 to reflect the change of address for the Federal Home Loan Bank of Des Moines and a new fax number for the MPF Customer Support Desk.

Underwriting, Origination and Servicing Guide Revisions:

The following Underwriting, Origination and Servicing Guide changes can be found on the AllRegs[®] and eMPF websites. Links to these sites are on the fhlbmpf.com website or may be accessed directly at <http://www.allregs.com/fhlbmpf/>.

- Underwriting Guide
 - Chapter 2 – changed text is highlighted in AllRegs

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- Origination Guide
 - Chapters 19 – changed text is highlighted in AllRegs
- Servicing Guide
 - Chapter 111 – changed text is highlighted in AllRegs

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).