

MPF Announcement:

2021-24

Date:

March 15, 2021

Alert:

Clarification
New Policy
Policy Update
Reminder
Training Information

Audience:

Compliance/Legal
Program Management
Origination
Quality Control
Servicing
Underwriting

Product:

MPF Direct
MPF Government MBS
MPF Traditional
MPF Xtra[®]

Effective Date:

Immediately (unless otherwise noted)

MPF Xtra Mortgage Insurance Updates

Fannie Mae issued Lender Letter LL-2021-06 which announced updates the following mortgage insurance requirements and lists:

Reference

[Fannie Mae Lender Letter LL-2021-06](#)

Please note you can access the [MPF Guides](#) and [MPF Announcements](#) on our [MPF Website](#).

Visit the [MPF Website](#) to review and register for upcoming complimentary [MPF Webinars](#).

- Updated the MassHousing Mortgage Insurance Fund's Loan Loss Reserve Agreement, Commitment/Certificate, and Mortgage Payment Protection Endorsement Forms.
The updated Forms are required for loans with application dates on or after April 1, 2021 that are covered by the Fund.
- Updated the List of Approved Mortgage Insurance Forms

To gain a full understanding of these topics, PFIs should review the entire Fannie Mae Lender Letter plus any applicable Fannie Mae Selling Guide chapters, forms, or exhibits noted in the announcement.

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Lender Letter (LL-2021-06)

Feb. 17, 2021

To: All Fannie Mae Single-Family Sellers Mortgage Insurance Updates

This Lender Letter updates the following mortgage insurance requirements and lists:

- [MassHousing Mortgage Insurance Fund](#): updated the Fund's Loan Loss Reserve Agreement, Commitment/Certificate, and Mortgage Payment Protection Endorsement Forms.
- [List of Approved Mortgage Insurance Forms](#): updated the List of Approved Mortgage Insurance Forms.

MassHousing Mortgage Insurance Fund

In Lender Letter [LL-2019-08](#), we announced changes to our requirements regarding mortgage insurance master primary policies, related endorsements, and other mortgage insurance forms. Recently, Fannie Mae and Freddie Mac, under the direction of the FHFA, worked with the MassHousing Mortgage Insurance Fund (Fund) to update the Fund's Loan Loss Reserve Agreement, Commitment/Certificate, and Mortgage Payment Protection Endorsement Forms (Forms). These Forms describe the Fund's terms of loss coverage on individual loans sold to or securitized by Fannie Mae, as well as other investors and guarantors.

As a reminder, lenders are prohibited from entering into any agreement that modifies the terms of any approved mortgage insurance master policy on loans delivered to us. See the *Selling Guide*, B7-1-01, Provision of Mortgage Insurance for additional information. The Fund's Forms are the equivalent of a private mortgage insurer's mortgage insurance master policy and are subject to this prohibition.

Effective: The updated Forms are required for loans with application dates on or after April 1, 2021 that are covered by the Fund. Loans with incorrect Forms are not eligible for sale to us.

List of Approved Mortgage Insurance Forms

The list of [Approved Mortgage Insurance Forms](#) has been updated to:

- Replace the Fund's previously approved Forms with the following Forms:
 - Loan Loss Reserve Agreement, LLRA F-2021 (02/21)
 - Commitment/Certificate, LLRA G-2021 (02/21)
 - Mortgage Payment Protection Endorsement, LLRA H-2021 (02/21)
- Add to Radian Guaranty Inc.:
 - Signatory Change Endorsement, RAF719 (03/20)
- Add to Mortgage Guaranty Insurance Corporation:
 - Maine Endorsement, 71-70389 (03/20)
- Delete from Arch Mortgage Insurance Company:
 - Commitment and Certificate of Insurance ArchMI, ARCH 3800.07 (03/20)



- Commitment and Certificate of Insurance ArchMI, ARCH 3800.07.01 (03/20)
 - Commitment and Certificate of Insurance ArchMI TX, ARCH 3800.07 (03/20)
 - Commitment and Certificate of Insurance ArchMI PR, ARCH 3800.07 PR (03/20)
 - Commitment and Certificate of Insurance UGRIC, ARCH 3800.08 (03/20)
 - Commitment and Certificate of Insurance UGRIC TX, ARCH 3800.08 (03/20)
 - Commitment and Certificate of Insurance UGRIC, ARCH 3800.08.01 (03/20)
 - Commitment and Certificate of Insurance Combined, ARCH 3800.09 Combined (03/20)
- Delete all previously approved forms for use in connection with loans having application dates on or after October 1, 2014 and before March 1, 2020

See Fannie Mae's website for the updated [Approved Mortgage Insurance Forms](#).

Lenders may contact their Fannie Mae Account Team if they have questions about this Lender Letter.
Have guide questions? Get answers to all your policy questions, straight from the source. [Ask Poli](#).