

MPF Announcement:

2021-26

Date:

March 17, 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

The MPF Program Reminds Servicers of Late Reporting Fees

Reference

[Exhibit A: 2021 MPF Traditional Product Investor Reporting Calendar](#)

[Exhibit A-X: 2021 MPF Xtra Investor Reporting Calendar](#)

[Exhibit E-M: 2021 MPF Government MBS Investor Reporting Calendar](#)

[Exhibit B: Delinquent Mortgage & Bankruptcy Status Report Instructions](#)

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](#).

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Effective with the reports required to be submitted in April 2021, **each occurrence of a late or incomplete Monthly Accounting Report or Delinquent Mortgage & Bankruptcy Status Report will be subject to a late reporting fee in accordance to Section 2.14.3 – Late Reporting Fee of the applicable MPF Product Servicing Guide.**

As a reminder, loans that are 30 days or more delinquent as of the last day of the preceding month and any loan in active Bankruptcy regardless of current status must be reported via eMAQCS[®] Plus monthly using the format in the Delinquent Mortgage & Bankruptcy Status Report (Exhibit B).

For formatting requirements, please reference the [Exhibit B: Delinquent Mortgage Report - Excel Template](#) posted on the MPF Website.

For additional information regarding common challenges when submitting the Delinquent Mortgage & Bankruptcy Status Report (Exhibit B) please refer to [MPF Announcement 2020-73](#)

Servicers are encouraged to access the following on-demand webinars to help reduce errors and discrepancies associated with Investor Reporting:

- [MPF Traditional Investor Reporting Overview](#)
- [Investor Reporting for the MPF Xtra[®] Product](#)

For additional resources, visit the [On-Demand Webinars](#) page on the MPF Website.

Reminder of How to Correctly Report Forbearance and COVID-19 Related Agreements

Action Codes provided on *Exhibit B* help to identify what actions have or have not occurred in the workout process.

- **Action Code 12-** should be reported if there is an **informal agreement** with the Borrower (i.e. a forbearance plan less than three months with terms provided to, but not signed by the Borrower).
- **Action Code 20-** should be reported if there is a **formal agreement** signed by the Borrower along with the following information:
 - ✓ Loss Mitigation Type should reflect **FFA** (Formal Forbearance Agreement)
 - ✓ The approval date must be provided.
 - ✓ An estimated date of completion (or actual completion date) should be provided.
 - ✓ In the Comments Section indicate the terms of the forbearance (i.e. full payment, P&I only, etc.).
- **Delinquency Status Code for Forbearance is 09**
 - ✓ To identify mortgage loans where the Borrower has experienced a hardship associated with COVID-19, the **Delinquency Reason Code** should be **022** (Energy-Environment Costs).
 - ✓ Please note that instead of adding a new code at this time, we are using an existing code that is used infrequently.
 - ✓ In the rare case of loans already being reported with the Reason Code of 022, those loans should now use Reason Code 007 (Excessive Obligations).

As a reminder, for assistance with questions related to Exhibit B submissions, eMAQCS Plus, and Default Management, Servicers should contact the MPF Service Center at 877-FHLB-MPF (877-345-2673) or MPF-Help@fhlbc.com, and utilize the new call option for Default Management related questions (option 3).