

MPF Announcement:

2021-43

Date:

June 14, 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 Updates to Qualified Mortgage Rule and Loan Eligibility

On May 26, 2021, Fannie Mae published Lender Letter [LL-2021-11](#) which provides additional details about effective dates as well as underwriting and loan eligibility policies that Fannie Mae will be implementing due to the Consumer Financial Protection Bureau's Revised Qualified Mortgage Rule under the Ability to Repay regulation.

Effective Dates

PFIs can begin applying these policies immediately but must apply them to all loans with application dates on or after July 1, 2021.

- As announced in [LL-2021-09](#), GSE Patch loans that do not meet the Revised QM Rule must have application dates on or before Jun. 30, 2021 and be purchased or securitized on or before Aug. 31, 2021.
 - Exception: Single-closing construction-to-permanent loans with application dates prior to Jul. 1, 2021 that meet the QM Patch (and do not meet Revised QM) can be purchased or securitized on or before Feb. 28, 2022.
- ATR Covered loans with application dates prior to March 1, 2021 (the effective date of CFPB's rule) may be purchased after August 31, 2021 provided the loans otherwise meet the Revised QM Rule.

In order to meet Fannie Mae's effective date of August 31, 2021, PFIs are encouraged to work with MPF Service Center to ensure loans that do not meet the Revised QM Rule are delivered to the MPF Program by August 27, 2021.

Reference

[Fannie Mae Lender Letter LL-2021-11](#)

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](#).

Follow Us

Loan Eligibility

In this Lender Letter Fannie Mae has provided additional information that highlights specific criteria for loans to be eligible under the Revised Qualified Mortgage Rule.

Additional Updates

Loan Delivery and Quality Control- PFIs are reminded of Fannie's current requirement to deliver in the Uniform Closing Dataset (UCD) file (submitted to Fannie at or before loan delivery) a number of data elements related to QM, including the method by which the PFI satisfied the ATR requirements or reason for exemption, and the APR and APOR percentages. The APR-APOR spread is also an existing data field in Loan Delivery and is required if it exceeds 1.50 percentage points

Other topics mentioned in the Fannie Mae announcement do not apply to MPF Xtra. 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.