

**MPF Announcement:**

2021-69

**Date:**

October 7, 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<sup>®</sup>**

**Effective Date:**

**Immediately** (unless otherwise noted)

## MPF Xtra Pre-Funding Certification

The MPF Program is announcing a new effective date for the previously announced ([MPF Marketing Bulletin 2021-19](#)) product modifications to MPF Xtra regarding changes to the Note pre-funding certification process for MPF Xtra mortgage loans. The modification will no longer take effect December 1, 2021, but instead will become effective **February 1, 2022**.

### Reference

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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Additional details on the effective date and operational requirements are being provided below.

#### MPF Xtra with Funding Confirmation prior to 2/1/2022:

**Currently:** MPF Xtra mortgage loans receiving Funding Confirmation prior to 2/1/2022, and that Fannie Mae has purchased prior to 2/1/2022, will be subject to post-funding Note certification requirements pursuant to the current MPF Xtra Selling Guide. Given current timelines and requirements, this would apply to a mortgage loan with a “Last Date to Request Funding” prior to 1/28/2022, for which any issue causing a delay of Fannie Mae’s purchase has been resolved prior to 2/1/2022.

#### MPF Xtra Funding Confirmation on or after 2/1/2022:

**Effective Immediately:** MPF Xtra mortgage loans that have not received Funding Confirmation prior to 2/1/2022, **regardless of their “Last Date to Request Funding,”** must receive Note certification **prior** to funding in order to be eligible for purchase under the MPF Xtra product. The guidance in this MPF Announcement applies to all such MPF Xtra mortgage loans, and is hereby incorporated into the Guides and supersedes any and all **conflicting** current master commitment language, Guide provisions or announcements. All other Guide provisions, including representations and warranties, will continue to apply. Updated Guides reflecting these provisions will be published at a later time.

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PFI's must ensure their processes allow for additional time within their Delivery Commitment (lock) term to make the loan funding request through eMPF® and to obtain the document custody certification of the Note prior to the expiration date on the Delivery Commitments and prior to the investor's, and therefore the MPF Program's, purchase of any loan on or after 2/1/2022.

The MPF Program Custodian will continue to be the custodian for pre-funding certification; once the Custodial Documentation package is submitted to the Custodian, the process to obtain certification with the MPF Program Custodian will be the same as the current post-funding certification process.

#### **Informational changes related to MPF Xtra Pricing and MPF Xtra Delivery Commitments:**

The following changes will be applied to the Current/Archived Pricing screens and Delivery Commitment screens on eMPF (including the Pricing Download and Pricing/Delivery Commitment reports):

- "Last Date to Request Funding"
  - For Commitment Terms expiring prior to 2/1/2022 the date will continue to be set at 2 business days prior to rate lock expiration.
  - For Commitment Terms expiring on and after 2/1/2022 the date will be 7 business days prior to rate lock expiration to allow time to obtain document certification.
- "Last Date to Obtain Certification" – this is a new data field for Pricing and Delivery Commitments.
  - For Commitment Terms expiring on and after 2/1/2022 the date will reflect 3 business days prior to the rate lock expiration, to allow enough time to complete the Investor purchase process before the Delivery Commitment expires.
    - If document certification is not obtained by this date a Delivery Commitment extension will be necessary to avoid pair-off fees.
  - For Commitment Terms expiring prior to 2/1/2022 the field will be displayed as "N/A", since these Delivery Commitments will not be subject to the pre-funding document certification process.

#### **MPF Program Custodian and Document Custody process:**

- The pre-funding certification process is initiated when the PFI successfully submits a mortgage loan funding request through eMPF.
  - When a mortgage loan funding request is submitted, eMPF will provide the MPF Mortgage Loan Number required for submitting the Collateral File to the Custodian for Certification.
- PFI's will track the status of pre-funding Custodial Certification through the following new eMPF Custody reports, specific to the mortgage loans that require pre-funding certification:
  - PreCertCompleted (mortgage loans will not be included until the business day following certification)
  - PreCertDocumentExceptions
  - PreCertFilesNotReceived
- Two business days following Document Certification, PFI's will receive a mortgage loan funding confirmation.

**As always, we appreciate your continued support of the MPF Program. Our goal is to make this transition as smooth as possible for our PFI's, and you can expect additional communications in the future. In the meantime, please contact the Service Center with any questions.**