

MPF Announcement:

2021-74

Date:

October 28, 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 Pre-Funding Certification

The MPF Program recently published [MPF Announcement 2021-69](#) communicating additional details regarding the Note Pre-Funding Certification process.

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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As previously communicated, MPF Xtra mortgage loans that have not received Funding Confirmation prior to February 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.

To prepare for the pre-funding certification process the MPF Program is deploying the first set of system enhancements.

As a result, effective Monday, November 1, 2021, the Current/Archived Pricing screens and Delivery Commitment screens on eMPF[®] (including the Pricing Download and Pricing/Delivery Commitment reports) will be updated to reflect the following changes:

- **“Last Date to Request Funding” date will be dependent on the Commitment Term expiration date.**
 - For Commitment Terms expiring prior to 2/1/2022 the date will continue to reflect 2 business days prior to rate lock expiration.
 - For Commitment Terms expiring on and after 2/1/2022 the date will reflect 7 business days prior to rate lock expiration, to allow time to obtain document certification.
- **“Last Date to Obtain Certification”** is a new data field on Pricing and Delivery Commitments to support the new document certification requirement.
 - 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.

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- 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.
- This field will *also* be added to the Pricing download file for ALL pricing types, including MPF Traditional and MPF Government MBS mortgage loans. The field will be located between the existing “LastDateToRequestFunding” and “CommitmentExpirationDate” fields on the file.
 - The field will be populated with “N/A” for all non-MPF Xtra Pricing Types (MPF Traditional and MPF Government MBS).
 - PFIs that download and integrate pricing data may need to make adjustments to accommodate the additional data field.

As a reminder, PFIs 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 mortgage loan on or after 2/1/2022.

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