

MPF Announcement

February 27, 2018 2018-12

Alert

Policy Update
New Policy
Reminder

Clarification ■

Training Information

Audience

Program Management ■

Origination ■

Quality Control ■

Servicing ■

Underwriting ■

Compliance/Legal ■

Product

MPF Xtra®

MPF® Direct ■

MPF Government MBS

MPF Traditional

Effective Date:

Immediately
(unless otherwise noted)

MPF Direct Origination and Underwriting Updates

The following clarifications have been made to the MPF Direct Selling Guide:

Introduction

Modified the language to indicate the overall responsibilities that PFIs have when originating and delivering loans under the MPF Direct product. Clarified that all items, except interim servicing and transfer of servicing, must be completed prior to closing with the Borrower. See MPF Direct Selling Guide section 1.1.

Hours of Operation

Relocated the MPF Service Center hours of operation to MPF Direct Selling Guide section 1.2.

Holiday Calendar

Removed the holiday calendar from MPF Direct Selling Guide section 1.2.1 since holiday observance is announced by the Investor.

Ineligible Products/Loan Attributes

The list of ineligible products/attributes has been consolidated and relocated to MPF Direct Selling Guide section 1.3.

Best Efforts Lock Policy

Clarified that the Mortgage Loan must be locked with the investor prior to closing the loan with the Borrower. See MPF Direct Selling Guide sections 1.6.1 and 1.6.2.

Lock Extension Pricing

Modified the fee table to display the fee in basis points to match the way the fee is displayed in the MPF Direct Portal. See MPF Direct Selling Guide section 1.6.3.

Appraisal Review

Added language to MPF Direct Selling Guide section 1.7.1 to clarify that Appraisals must be submitted to the Investor for value validation prior to closing the loan.

Single Loan Exceptions

The single loan exception requirements have been consolidated into MPF Direct Selling Guide section 1.7.2. Additionally, for Loan Applications taken on or after January 1, 2018, the Demographic Information Addendum and the Universal Loan Identifier (ULI) must be included in the request.

Due Diligence Review

The requirements for submitting the Mortgage File and Collateral File for a Due Diligence Review have been consolidated into MPF Direct Selling Guide section 1.7.3. The requirement to include supporting appraisal documents was added. Additionally, for Loan Applications taken on or after January 1, 2018, the Demographic Information Addendum the

Universal Loan Identifier (ULI) must be included in the review.

MERS in Maine

Updated the language in MPF Direct Selling Guide section 1.7.5 to reflect MERS requirements for loans secured by properties in Maine with Note dates on or after January 1, 2018.

Underwriting Guidelines

Added references to the exhibits where the underwriting guidelines are housed. See MPF Direct Selling Guide section 1.8.

Early Mortgage Payoff and Early Payment Default

These topics were relocated to MPF Direct Selling Guide sections 1.10.2 and 1.10.3, respectively.

Servicing Requirements

Clarified the PFI's servicing responsibilities and removed the servicing transfer requirements that applied to loans closed on or before August 1, 2017. See MPF Direct Selling Guide section 1.10.

MPF Direct Glossary

Added a definition for Investor Designated Servicer.