

MPF Announcement

July 12, 2019

2019-36

Alert

Policy Update ■

New Policy

Reminder

Clarification ■

Training Information

Audience

Program Management

Origination ■

Underwriting ■

Quality Control

Servicing

Compliance/Legal ■

Product

MPF Xtra®

MPF Direct

MPF Government MBS

MPF Traditional ■

Effective Date:

Immediately

MPF Traditional Selling Guide Updates

Automated Validation Services for Mortgage Loans Underwritten with AUS

The MPF Traditional Selling Guide has been clarified to reflect the eligibility of loans delivered under the MPF Traditional product, where certain automated services approved by Fannie Mae and Freddie Mac to validate borrower income, employment, and asset data were used in conjunction with Fannie Mae's Desktop Underwriter (DU) or Freddie Mac's Loan Product Advisor (LPA). Please see Chapter 5.3 of the MPF Traditional Selling Guide to review this clarification.

Unlike Fannie Mae and Freddie Mac, the MPF Program does **not** provide any representation and warranty relief for loans where such services were used.

Credit Report Requirements for Mortgage or Rental Payment History

Chapter 5.4.2 has been clarified to reflect that alternative credit references may be submitted in the event a borrower's credit report does not reflect a 12

REFERENCE

[MPF Traditional Selling Guide](#)

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 on:



Contact: MPF Service Center, 877-FHLB-MPF or 877-345-2673 or your MPF Bank Representative

month mortgage or rental history.

Coverage Requirements – Private Flood Insurance Policies

Clarified Section 9.9.1 to indicate that the terms and amount of coverage of a Private Flood Insurance policy must be at least equal to that provided under an National Flood Insurance Program (NFIP) policy based on a review of the full policy issued by a private insurer.

"Mortgage Partnership Finance", "MPF", "eMPF", "MPF Xtra" and "eMAQCS" are registered trademarks of the Federal Home Loan Bank of Chicago. The "MPF Mortgage Partnership Finance" logo is a trademark of the Federal Home Loan Bank of Chicago.