

MPF Announcement:
2020-22

Date:
April 21, 2020

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

Impact of COVID-19 on MPF Program Loan Eligibility

The MPF Program is providing this guidance to assist PFIs delivering loans into the MPF Program during the COVID-19 pandemic.

Because for **all MPF Products**, the MPF Program only accepts loans that are current on Funding Date (i.e., the date the loan is sold into the Program), mortgage loans in a loss mitigation plan (such as forbearance plan, repayment plan or other such plan) or loans with material modifications, such as changes to the original loan amount, interest rate, final maturity, or product structure, are not eligible for delivery to into the MPF Program.

By delivering the Mortgage Loan under the MPF Program, the PFI represents and warrants that from the Note date to the Funding Date, the Mortgage Loan and its payment term or obligations have not been modified.

In addition, loans for which borrowers are granted relief due to COVID-19 related circumstances after Funding Date are not exempt from the Early Payment Default provisions of the MPF Guides (See MPF Program Guide section 8.4 - Early Payment Default and product specific guide provisions)

PFIs and Servicers are expected to abide by any/all federal or state laws or proclamations that may affect borrowers or loans affected by COVID-19.

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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In addition to MPF Announcements regarding the MPF Program and MPF Traditional loans (see [MPF communications](#) page), PFIs and Servicers originating, delivering or servicing:

- MPF Government loans and MPF Government MBS loans must follow relief policies and guidance issued by the applicable Government Agencies.
- MPF Xtra loans must follow relief policies and guidance issued by Fannie Mae. ([Fannie Mae's COVID-19 webpage](#).)
- MPF Direct loans must follow relief policies and guidance issued by the product's investor, Redwood Trust.

The MPF Program will continue to evaluate the situation to determine whether this Announcement or MPF Guide provisions should be modified to provide additional relief.