

MPF Announcement:

2020-73

Date:

November 2, 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

Delinquent Mortgage & Bankruptcy Status Report (Exhibit B) Reminders

The MPF Program reminds PFIs and Servicers that delinquent mortgage loans (**i.e. loans that are 30 days or more delinquent as of the last day of the preceding month and any loan in active Bankruptcy regardless of current status**) must be reported via eMAQCS[®] Plus monthly using the format in the Delinquent Mortgage & Bankruptcy Status Report (Exhibit B).

As a reminder, Borrowers who have entered into a COVID-19 forbearance agreement should be reported utilizing the instructions provided below even if the Borrower was current at time they entered into the forbearance.

To help with the transition, the MPF Program is highlighting common challenges and providing reminders to ensure there are no delays/issues when submitting the Delinquent Mortgage & Bankruptcy Status Report (Exhibit B).

Reminder of How to Correctly Report Forbearance and COVID-19 Related Agreements

Action Codes provided on *Exhibit B* help to identify what actions have or have not occurred in the workout process.

- **Action Code 12-** should be reported if there is an **informal agreement** with the Borrower (i.e. a forbearance plan less than three months with terms provided to, but not signed by the Borrower).

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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- **Action Code 20-** should be reported if there is a **formal agreement** signed by the Borrower along with the following information:
 - ✓ Loss Mitigation Type should reflect **FFA** (Formal Forbearance Agreement)
 - ✓ The approval date must be provided.
 - ✓ An estimated date of completion (or actual completion date) should be provided.
 - ✓ In the Comments Section indicate the terms of the forbearance (i.e. full payment, P&I only, etc.).

- **Delinquency Status Code for Forbearance is 09**
 - ✓ To identify mortgage loans where the Borrower has experienced a hardship associated with COVID-19, the **Delinquency Reason Code** should be **022** (Energy-Environment Costs).
 - ✓ Please note that instead of adding a new code at this time, we are using an existing code that is used infrequently.
 - ✓ In the rare case of loans already being reported with the Reason Code of 022, those loans should now use Reason Code 007 (Excessive Obligations).

As a reminder, for assistance with questions related to Exhibit B submissions, eMAQCS Plus, and Default Management, Servicers should contact the MPF Service Center at 877-FHLB-MPF (877-345-2673) or MPF-Help@fhlbc.com, and utilize the new call option for Default Management related questions (option 3).

Common Exhibit B Submission Challenges

1. **Delinquent Mortgage & Bankruptcy Status Report (Exhibit B) format used did not meet the format requirements as provided in the applicable MPF Servicing Guides:**
 - ✓ For formatting requirements, please reference the [Exhibit B: Delinquent Mortgage Report - Excel Template](#) posted on the MPF Website.

2. **Incorrect MPF Loan Number reported:**
 - ✓ MPF Loan Number is a required field on the Exhibit B. It is the LOAN_NBR field. This is the loan number assigned by the MPF Program and is not the Servicer loan number.

3. **Missing Required Fields:**
 - ✓ Required fields must be provided by the PFI/Servicers when submitting the Exhibit B in eMAQCS Plus. See the Field Rules provided in the Exhibit B Instructions found in the MPF Guides.

4. **Wrong Data Type in specified Date Type field**
 - ✓ All date fields should show an actual date, not N/A or NA, etc. If no data or date to report and field is not required, leave blank.
 - ✓ The dates must be entered into the date column as follows: MM/DD/YYYY. Omit leading zeros in MM/DD since this is an excel file.

5. Data List Validation Failed:

- ✓ See the Field Descriptions and Data Guidance provided in the Exhibit B Instructions found in the MPF Guides for a list of acceptable values associated with each field, if applicable. For example, for the LOAN_TYPE field, data reported must match one of the applicable loan types provided: FHA, VA, Conventional, Rural Housing Service, HUD 184, or Conventional with PMI.

6. eMAQCS Plus is the only acceptable method for delivering Monthly Delinquent Reports (Exhibit B)

- ✓ Please do not submit Exhibit B information to the Master Servicer (Wells Fargo).

Successful Delinquent Mortgage & Bankruptcy Status Report (Exhibit B) Upload:

- A successful upload looks as follows:

Home - Default Servicing Upload Loan Search Forms Change Password

mpf Mortgage Partnership Finance | eMAQCS plus

System Message: Access to eMAQCS Plus will be effective May 1, 2020. All MPF Exhibit B files must be uploaded to eMAQCS Plus in the format layout

Default Management - Data Upload

Upload Data File
Select a data file to import. Supported File Types: Microsoft Excel (.xls and .xlsx)

You are uploading to Cycle starting on:

Select File Template: DM - Exhibit B Excel Import

Data File: [Empty] Select

Upload

Validation Progress: 100 % Completed

Import Progress: 100 % Completed
4 Rows Imported.

File upload completed. OK