

MPF Marketing Bulletin:

2021-19

Date:

August 31, 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:

Q4 2021

Product Modifications coming to MPF Xtra starting in Q4 2021

In an effort to keep you informed of changes that affect the way you do business under the MPF Xtra product, the MPF Program would like to announce two upcoming operational modifications to the product as a result of changes required by Fannie Mae.

Effective December 1, 2021: All loan purchases under the MPF Xtra product, regardless of when the Delivery Commitment was entered, will need to have the Note certified with our document custodian, Wells Fargo, prior to the completion of the loan funding transaction. Your processes must **allow for additional time within your Delivery Commitment (lock) term to obtain the document custody certification** of the Note prior to the investor's, and therefore the MPF Program's, purchase of the loan.

This is the first of two upcoming modifications required by the investor that could impact your origination and loan processing. The second operational modification will impact the frequency of GSE investor reporting, requiring daily reporting by the end of Q1 2022.

More detailed communications will come out in early September and thereafter to provide additional details regarding these changes.

We also want to let you know that we are in the process of enhancing the MPF Xtra product with a securitization path that we expect to make operational in 2022.

These modifications are specific to MPF Xtra and will have no impact on the MPF Traditional products.

If you have any questions, please reach out to your FHLBank or the MPF Service Center.

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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