

MPF Announcement:

2023-01

Date:

January 04, 2023

Alert:

Clarification

New Policy

Policy Update

Reminder

Training Information

Audience:

Compliance/Legal

Program Management

Origination

Quality Control

Servicing

Underwriting

Product:

MPF Government MBS

MPF Traditional

MPF Xtra[®]

Effective Date:

Immediately (*unless otherwise noted*)

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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MPF Program Guide Updates

The following updates and clarifications have been made to the MPF Program Guide:

Fidelity and E&O Requirements

To ensure consistency, clarified the verbiage for the Fidelity and E&O requirements to align with the questions in the Annual Eligibility Certification (OG1), including ensuring clarity that the MPF Bank's Minimum Required Insurance Limit is based on the total portfolio of all first-lien 1-4 single family and multi-family residential mortgage loans (MPF Program loans and non-MPF Program loans) serviced by the PFI for itself and others. This includes mortgage loans serviced on the PFI's behalf by a sub-servicer or by a designated affiliate servicer.

See MPF Program Guide Section 6.6.1 – Fidelity.

Desk Review/Verification of Origination Appraisal

To align with the QC Appraisal Review updates announced in [MPF Announcement 2022-41](#), Section 8.9.3. Desk Review has been removed from the MPF Program Guide. As a reminder, PFIs must complete a collateral risk assessment for all mortgage loans with an appraisal as a part of its random QC sample. If the PFI is unable to complete a collateral risk assessment that meets the MPF Program requirements or appropriately determines the quality of the origination appraisal, the PFI may order either a desk review or field review from a licensed appraiser.

See MPF Program Guide Section 8.9.2 – Verification of Origination Appraisal.

Exhibit T: MPF Directory Updates

The MPF Program has made the following updates to the MPF Directory (Exhibit T):

- Updated the contact for Federal Home Loan Bank of San Francisco and Federal Home Loan Bank of New York.