

MPF Announcement:

2023-15

Date:

March 20, 2023

Alert:

Clarification
New Policy
Policy Update
Reminder
Training
Information

Audience:

Compliance/Legal
Program
Management
Origination
Quality Control
Servicing

Product:

MPF Government MBS
MPF Traditional
MPF Xtra[®]

Effective Date:

April 3rd, 2023 (unless otherwise noted)

eMAQCS[®]plus SMDU Integration for MPF Xtra[®]

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 an effort to ensure loss mitigation for MPF Xtra[®] mortgage loans are processed in accordance with the Investor's required time frames and guidelines, the MPF[®] Program is pleased to announce that Fannie Mae's Servicing Management Default Underwriter (SMDU) application has been integrated with eMAQCS[®]plus to help streamline submissions of loss mitigation requests for MPF Xtra loans.

SMDU is a multi-prong application used for loss mitigation evaluation and case reporting activities. With this integration, MPF Xtra PFIs and Servicers will benefit through operational efficiencies, saving time and money, reducing risks, and enhancing service to homeowners.

Effective Date: Beginning April 3, 2023, PFIs and Servicers of MPF Xtra mortgage loans must submit loss mitigation requests that require prior approval and related supporting documentation through the eMAQCSplus system.

MPF Guides have been updated to reflect these requirements. See MPF Xtra Servicing Guide Sections 8.3 Loss Mitigation, 8.4.1 Short Sale, 8.4.2 Deed-in-Lieu of Foreclosure, 8.5 Natural Disaster Assistance, and 9.1 Loan Modifications.

The following Exhibits provide guidance on submitting such requests for approval:

- Exhibit Z-X MPF Xtra Flex Modification (FLEX) Request - Instructions
- Exhibit AA-X MPF Xtra Payment Deferral (PD) Request - Instructions
- Exhibit BB-X MPF Xtra Disaster Payment Deferral (PDD) Request - Instructions
- Exhibit CC-X MPF Xtra COVID-19 Payment Deferral (PDX) Request - Instructions

As a reminder, eligible loss mitigation options can be found

in Fannie Mae Servicing Guide Chapter D2-3: Fannie Mae's Home Retention and Liquidation Workout Options. The PFI or Servicer must also:

- Maintain policies and procedures to ensure compliance with any and all applicable "dual tracking" restrictions.
- Consider all available workout options when they have been notified or otherwise becomes aware of events or factors that are expected to cause the borrower's monthly payment to be in default.
- Be familiar with the terms and eligibility requirements of each of the workout options available to help borrowers when the mortgage loan becomes delinquent or when the borrower's monthly payment is in imminent default. See F-2-10, Fannie Mae's Workout Hierarchy for evaluating a borrower for workout options.
- Analyze each case carefully before determining which workout option is most appropriate.
- Be responsible for ensuring they meet all regulatory requirements for responding to Borrowers request for loss mitigation.
- Allow at least 5 Business Days for any request to the MPF Provider to be processed.
- Ensure a submission is complete and accurate to avoid any delays.

Training

MPF National Education is hosting a webinar on March 29, 2023 at 1pm CT on how to use the updated system. Click [here](#) to register for the upcoming webinar.

For assistance with questions related to this enhancement, eMAQCSplus, 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 call option for Default Management related questions (option 3).

As a reminder, PFIs and Servicers can use the MPF Customer Service Portal to contact the MPF Service Center and for additional resources.

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