

**MPF Announcement:**

2023-55

**Date:**

July 27, 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<sup>®</sup>

**Effective Date:**

**Immediately** (unless otherwise noted)

## MPF Traditional Selling Guide Updates - HO-6 Insurance Requirements

### 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](#).

Updates have been made to align with industry standards regarding additional insurance requirements for properties that are classified as condominiums or PUDs. The amount of coverage necessary for the borrower to maintain on an HO-6 insurance policy is being changed from an amount that is at least equal to 20% of the condo unit's appraised value to an amount, as determined by the insurer, sufficient to repair the condo unit to its condition prior to a loss claim event. See MPF Traditional Selling Guide Section 9.8.4, Additional Insurance Requirements for Condos and PUDs.

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