

MPF Announcement:

2024-65

Date:

October 18, 2024

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)**

MPF Government Loans – Veterans Affairs Servicing Purchase (VASP) Program

The MPF Program has updated the MPF Traditional Servicing Guide and MPF Government MBS Servicing Guide to incorporate reminders regarding Servicers obligation to comply with VASP as communicated in [MPF Announcement 2024-52](#):

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 Government MBS Servicing Guide

- **8.5.2 Government MBS Mortgage Loan Modifications** – Clarified that if an MPF Government MBS Mortgage Loan is subject to a loan modification pursuant to the VASP loss mitigation option, prior to making any modifications to comply with VA requirements, the Servicer must repurchase the Mortgage Loan pursuant to Section 1.6 Repurchase,.

MPF Traditional Servicing Guide

- **9.1.2 Government Loans** – Clarified that if an MPF Traditional Government mortgage loan is subject to the VASP loss mitigation option, the Servicer must:
 - comply with VA requirements when modifying the mortgage loan and the Servicer must notify the MPF Provider of the loan modification by submitting the Form SG354: Workout Worksheet with the required supporting documentation via eMAQCSplus, and
 - once the VA mortgage loan is eligible for repurchase by the VA pursuant to VASP, the Servicer shall be permitted to repurchase the Mortgage Loan in accordance with the requirements of the MPF Traditional Servicing Guide.

If you have any questions, please reach out to the MPF Service Center at 1-877-FHLB-MPF or via email at MPF-Help@fhlbc.com.

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