

MPF Announcement:

2024- 69

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 Xtra Servicing Updates – FNMA SVC-2024-05

Reference

[Fannie Mae Servicing Guide SVC-2024-05](#)

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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Pursuant to Fannie Mae [SVC-2024-05](#), the below referenced topics have been updated that are applicable to mortgage loans serviced under the MPF Xtra product:

- having policies and procedures to determine if a mortgage loan is eligible for charge-off prior to advances,
- evaluating a first lien mortgage loan for charge-off and release of lien.

Effective: Servicers are encouraged to implement these changes immediately but must comply with these changes by January 1, 2025.

To gain a full understanding of these topics, PFIs should review the entire Fannie Mae Announcement and any applicable Fannie Mae Servicing Guide chapters, forms, or exhibits noted in the announcements.

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Servicing Guide Announcement (SVC-2024-05)

Sept. 11, 2024

This Announcement describes the following update:

- [Updates to Charge-Off and Second Lien Consideration Policies*](#): clarifies servicer responsibilities related to charge-off and second lien consideration process and submission requirements.

View the list of [impacted topics](#).

*Policy change not applicable to reverse mortgage loans.

Updates to Charge-Off and Second Lien Consideration Policies

We updated the *Guide* to clarify the servicer's responsibilities to

- have policies and procedures in place to determine if a mortgage loan is eligible for charge-off prior to advances,
- evaluate a first lien mortgage loan for charge-off and release of lien, and
- evaluate a second lien mortgage loan for a second lien consideration.

Effective: Servicers are encouraged to implement these changes immediately but must comply with these changes by January 1, 2025.

See the *Servicing Guide* for details about these updates.

Servicers who have questions about this Announcement should contact their Fannie Mae Account Team, Portfolio Manager, or Fannie Mae's Single-Family Servicer Support Center at 1-800-2FANNIE (1-800-232-6643).

Have *Guide* questions? Get answers to all your policy questions, straight from the source. [Ask Poli](#).



Impacted Topics

Section of the Announcement	Updated <i>Servicing Guide</i> Topics and Related Documents (Dated Sept. 11, 2024)
Update Charge-Off and Second Lien Policies	<ul style="list-style-type: none">▪ B-1-01, Administering an Escrow Account and Paying Expenses▪ D1-1-02, Evaluating a First Lien Mortgage Loan for Charge-Off and Release of Lien▪ D1-1-03, Evaluating a Second Lien Mortgage Consideration of a Second Lien Mortgage Loan▪ F-1-24, Requesting Fannie Mae’s Approval via Fannie Mae’s Servicing Solutions System▪ F-4-02, List of Contacts