

MPF Announcement:

2025-36

Date:

April 28, 2025

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 within)**

MPF Traditional HLC Review Property Valuation Clarifications

The MPF Traditional Servicing Guide is being updated to further clarify the requirements for property valuations in High Level Concern (HLC) reviews.

As part of the HLC review, the Servicer must obtain a retrospective property valuation that confirms the accuracy of the appraised value determined at origination.

A retrospective property valuation is defined as a review of the original appraised value, as of the date of the original appraisal.

Servicers may use one of the following options to obtain the retrospective property valuation:

- an enhanced desktop review of the original appraisal (i.e. Fannie Mae Form 1033);
- a field review of the original appraisal;
- a retrospective third-party AVM; or
- a retrospective AVM from the Servicer's own internal AVM, provided that:
 - the Servicer is subject to supervision by a federal regulatory agency, and
 - the Servicer's primary federal regulatory agency has reviewed the model.

For additional information, see MPF Traditional Servicing Guide Section 8.8.3 HLC Property Valuation and 11.9.2 Calculating Realized Losses or Gains.

In addition, Form SG337 HLC mortgage Notification has been updated.

For questions or assistance, please contact the MPF Service Center by using one of the following options:

- [MPF Customer Service Portal](#)
- Email: MPF-Help@fhllbc.com
- Phone: (877) 345-2673

Reference

Please note you can access the [MPF Guides](#) and [MPF Announcements](#) on our [MPF Website](#).

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