

MPF Announcement:

2025-40

Date:

April 29, 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:

May 1, 2025

Enhancement to MPF[®] Original Master Commitment Resets:

The MPF Program is pleased to announce an enhancement to the MPF Original product that provides earlier and more frequent Master Commitment (MC) resets. This change is designed to reduce Credit Enhancement (CE) obligations and risk-based capital requirements, improving the overall management of MPF Original MCs.

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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What's Changing?

- Currently, MPF Original MCs are reset 10 years after execution.
- **Starting May 1, 2025, new MPF Original MCs will reset 5 years after the MC expected completion date, and every 5 years thereafter.**
- Existing MPF Original MCs will continue to reset on the original 10-year schedule.

See [MPF Program Guide](#) Section 2.2 MPF Original.

Why This Matters?

- Lowering Credit Enhancement Obligations – The reset will reflect paydowns and the performance of the Master Commitment, reducing exposure.
- Reducing Risk-Based Capital Requirements – More frequent resets mean you can more effectively manage your credit risk and capital needs.
- Providing Greater Flexibility – Shorter reset periods improve alignment with your loan portfolios.

This improvement reflects our commitment to evolving the MPF Program to better support you and your mortgage lending strategies.

Please contact your MPF Bank representative if you have any questions or would like to open a new MPF Original MC.

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.

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