

**MPF Announcement:**

2025-58

**Date:**

July 18, 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:**

October 20, 2025

## MPF Traditional Servicing – Loan Modification Clarification

The MPF Traditional Servicing Guide was updated by incorporating guidance on how to calculate the remaining mortgage loan terms for an MPF Traditional Conventional Loan Modification when the Borrower has made additional principal curtailments.

If the Borrower has previously made a principal curtailment, Servicers must first calculate the remaining mortgage loan term based on the interest-bearing portion of the Borrower's pre-modification unpaid principal balance and the contractual principal and interest payment amount. This may result in a post-modification maturity date that precedes the pre-modification maturity date.

**Effective Date: Servicers may implement this change immediately but are required to do so by October 20, 2025.**

For additional information, see MPF Traditional Servicing Guide Section 9.2.4.6.2 Determining New Modified Mortgage Loan Terms.

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

- [MPF Customer Service Portal](#)
- Email: [MPF-Help@fhlbc.com](mailto:MPF-Help@fhlbc.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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