MPF® Announcement

MPF Announcement:
2025-88

Date:
November 12, 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)*

Reference

Fannie Mae Selling Guide SEL-2025-09

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 Xtra Selling Updates – FNMA SEL-2025-09

Fannie Mae published SEL-2025-09 which covers the below referenced topics that are applicable to mortgage loans sold under the MPF Xtra product:

- **Relief from enforcement of representations and warranties for certain undisclosed liabilities:**
  - expanding Day 1 Certainty® offerings to include representation and warranty relief for undisclosed non-mortgage liabilities.

Effective: These changes will be eligible for loan casefiles submitted or resubmitted to for Desktop Underwriter® (DU®) on or after the weekend of November 15, 2025.

- **Single-closing construction-to-permanent loans:**
  - expanding the eligibility for the age of credit document exception for the single-closing construction loans.
- **Minimum credit score requirements:**
  - removing minimum credit score requirements for DUloans.

Effective: The minimum representative credit score requirement of 620 for loan casefiles for one borrower and minimum average median credit score requirement of 620 for more than one borrower will be removed for new loan casefiles created on or after November 16, 2025. All other changes apply to loan casefiles submitted or resubmitted on or after the weekend of November 15, 2025.

Other topics mentioned in the Fannie Mae announcement do not apply to MPF Xtra.

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

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
- Phone: (877) 345-2673

Selling Guide Announcement (SEL-2025-09)

Nov. 5, 2025

The *Selling Guide* has been updated to include changes to the following:

- Relief from enforcement of representations and warranties for certain undisclosed liabilities: expanding Day 1 Certainty® offerings to include representation and warranty relief for undisclosed non-mortgage liabilities
- Single-closing construction-to-permanent loans: expanding the eligibility for the age of credit document exception for the single-closing construction loans
- Minimum credit score requirements: removing minimum credit score requirements for Desktop Underwriter® (DU®) loans
- Miscellaneous update:
    - eMortgage eligibility

View the list of impacted topics.

Relief from enforcement of representations and warranties for certain undisclosed liabilities

The *Selling Guide* has been updated to include terms of enforcement relief of representations and warranties related to undisclosed non-mortgage debt for certain loans underwritten through DU. Mortgage-related debt (including HELOCs and second liens) is excluded from eligibility for relief.

When a final DU submission receives an Approve/Eligible recommendation and a DU message indicating that the loan has obtained relief from enforcement of representations and warranties for undisclosed non-mortgage liabilities, Fannie Mae will not enforce representations and warranties related to non-mortgage debt obtained by the borrower(s) prior to or concurrent with the day of closing. All conditions for relief as described in the *Selling Guide* must be met.

Lender Post-Closing Quality Control Requirements

Lenders must continue to meet all post-closing quality control requirements to verify the accuracy and integrity of the information used to support the underwriting decision. This includes ensuring all data submitted to DU is true, correct, and complete, and conducting a reverification of credit history, as stated in the Guide.

If the reverification credit report reveals non-mortgage debt that was not disclosed by the borrower nor identified by the lender prior to or concurrent with the day of closing, then the lender is not required to re-underwrite the loan to confirm its eligibility for sale to Fannie Mae if enforcement relief was provided and all conditions for relief were met.

> **Note**: DU's offering of enforcement relief does not relieve the lender of any of its obligations within the *Selling Guide* related to the identification and inclusion of a borrower's liabilities in the DTI and for consideration of those debts in underwriting, including those that may be identified throughout the origination and prefunding QC processes. Lenders remain responsible for ensuring loans meet all obligations under all applicable laws and regulations, including Ability to Repay and the Qualified Mortgage Rule.

Effective: These changes will be implemented in DU Version 12.0 for eligible loan casefiles submitted or resubmitted to DU on or after the weekend of Nov. 15, 2025.

Single-closing construction-to-permanent loans

We expanded the eligibility criteria for the extended age of credit documents used when converting a single-closing construction-to-permanent loan to permanent financing. The *Selling Guide* updates include:

- Extending the exception for the age of credit documents to be greater than four months to up to 18 months at the time of conversion, and
- Removing the requirement for a minimum representative credit score to be eligible for the exception.

Effective: Lenders may take advantage of these updates immediately.

Minimum credit score requirements

Minimum credit score requirements will no longer apply to loans submitted to DU. The *Selling Guide* has been updated to align with changes previously communicated in the DU Version 12.0 November Update Release Notes. Specifically, DU will no longer apply a minimum credit score but will rely on its own comprehensive analysis of risk factors to determine eligibility.

In addition to these revisions, we have updated DU nontraditional credit documentation and homebuyer education requirements to no longer rely on credit scores. Instead, DU will issue a message when lenders must establish a nontraditional credit history and/or complete homebuyer education when no borrower has at least one credit account or installment account reported on their credit report.

Effective: The minimum representative credit score requirement of 620 for loan casefiles for one borrower and minimum average median credit score requirement of 620 for more than one borrower will be removed for new loan casefiles created on or after Nov. 16, 2025. All other changes apply to loan casefiles submitted or resubmitted on or after the weekend of Nov. 15, 2025.

Miscellaneous update

eMortgage eligibility: *Selling Guide* B8-8-01, General Information on eMortgages, was updated to remove the restriction for loans held in *inter vivos* revocable trusts. Effective immediately, these loans are eligible for sale to Fannie Mae as eMortgages.

Lenders may contact their Fannie Mae Account Team if they have questions about this Announcement.
Have guide questions? Get answers to all your policy questions, straight from the source. Ask Poli.

Impacted Topics

Section of the Announcement	Updated *Selling Guide* Topics (Dated Nov. 05, 2025)
Relief from enforcement of representations and warranties for certain undisclosed liabilities	▪ A2-2-04, Limited Waiver and Enforcement Relief of Representations and Warranties ▪ D1-3-03, Lender Post-Closing Quality Control Reverifications
Single-closing construction-to-permanent loans	▪ B5-3.1-02, Conversion of Construction-to-Permanent Financing: Single-Closing Transactions
Minimum credit score requirements	▪ B2-2-03, Multiple Financed Properties for the Same Borrower ▪ B3-1-01, Comprehensive Risk Assessment ▪ B3-5.1-01, General Requirements for Credit Scores ▪ B3-5.1-02, Determining the Credit Score for a Mortgage Loan ▪ B3-5.2-01, Requirements for Credit Reports ▪ B3-5.2-02, Types of Credit Reports ▪ B3-5.4-01, Eligibility Requirements for Loans with Nontraditional Credit ▪ B5-6-02, HomeReady Mortgage Underwriting Methods and Requirements