

MPF Announcement

February 1, 2018 2018-6

Alert

Policy Update ■

- New Policy
- Reminder
- Clarification
- Training Information

Audience

Program Management ■

- Origination ■
- Quality Control ■
- Servicing
- Underwriting ■
- Compliance/Legal

Product

MPF Xtra® ■

- MPF® Direct
- MPF Government MBS
- MPF Traditional

Effective Date:

Immediately

MPF Xtra Mortgages Underwritten with Loan Product Advisor®

The MPF Program is pleased to announce expanded eligibility for MPF Xtra loans underwritten with Freddie Mac's Loan Product Advisor (LPA). Freddie Mac Super Conforming (i.e. high-balance) loans and Home Possible loans underwritten with LPA are now eligible for delivery under the MPF Xtra product.

All loans underwritten with LPA must follow the requirements in MPF Xtra Selling Guide section 4.3. Home Possible loans are subject to the standard requirements, but are allowed expanded loan-to-value (LTV) ratios and mortgage insurance coverage as detailed in MPF Xtra Selling Guide section 4.3.2.1.

Home Possible loans with expanded mortgage insurance coverage must be delivered with Special Feature Code (SFC) 605. The SFC Exhibit (Q-X) has been updated with this new SFC. Freddie Mac Super Conforming loans must be delivered with SFC 808 for high-balance loans.

The requirement that all loans underwritten with LPA must comply with Fannie Mae's requirements for reestablishing credit has been removed. Instead, loans underwritten with LPA must follow Freddie Mac's guidelines for reestablishing credit.

Additionally, the list of products/attributes that are ineligible under MPF Xtra has been consolidated in MPF Xtra Selling Guide section 2.3.3.