

# MPF Announcement

August 13, 2019 2019-43

## 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 (unless otherwise noted)

## MPF Direct Selling Guide Updates

On July 8, 2019 the investor for the MPF Direct Product, Redwood Residential Acquisition Corporation, issued updates which resulted in the following revisions and clarifications to the MPF Direct Selling Guide:

### 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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### Collateral File

Chapter 1.7.3.2 has been clarified to indicate that if a Mortgage File contains mortgage loan documents that are required to be recorded and are pending recordation and have not yet been returned prior to delivering the file to the MPF Program, PFIs may provide a copy of the unrecorded document in the interim until a copy of the recorded original is received. PFIs should not deliver unrecorded original documents to the Master Servicer.

### MERS Loan Requirements (Effective August 1, 2019)

Chapter 1.7.5 has been updated to reflect that loans with a borrower participating in a state sponsored confidentiality program may not be originated as a MOM loan or registered on the MERS system. An assignment to blank will be required on such loans.

## **Funding Process**

Chapter 1.10.1 has been updated to include guidance for escrow disbursements that should be taken into account when calculating the total escrow during the funding process for each MPF Direct loan.

## **Escrow Account Maintenance**

Added Chapter 1.11.1.1.1 which provides that it is the PFI's responsibility to segregate and maintain borrower escrow accounts until the close of business on the servicing transfer date.