

MPF Announcement:

2026-24

Date:

May 1, 2026

Alert:

Clarification
New Policy
Policy Update
Reminder
Training Information
Marketing Bulletin

Audience:

Compliance/Legal
Program Management
Origination
Quality Control
Servicing
Underwriting

Product:

MPF Government MBS
MPF Traditional
MPF Xtra[®]

Effective Date:

**Immediately (unless
otherwise noted within)**

MPF Xtra Servicing – Updates to Retention Workout Options and Disaster-Related Foreclosure Proceedings Policy

Reference

[Fannie Mae Lender Letter LL-2026-01](#)

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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Fannie Mae published [Lender Letter LL-2026-01](#) providing updates and clarification to policies regarding forbearance plans, Fannie Mae Flex Modification, and foreclosure proceedings for disaster-impacted properties.

This Lender Letter contains the following topics:

- forbearance plan term structuring,
- forbearance plan term extensions for borrowers with a disaster-related hardship,
- Fannie Mae Flex Modification evaluations, and
- referrals of mortgage loans for disaster-impacted properties to foreclosure proceedings or continuation of certain foreclosure proceedings as referenced in this Lender Letter.

Chapter 8.5 of the [MPF Xtra Servicing Guide](#) has been updated to include a means of notification to the MPF Bank for foreclosure proceedings related to disaster-impacted properties.

To obtain approval, Servicer must email a request with a subject line “Foreclosure Proceedings for Disaster-Impacted Properties MPF Loan #XXXXXXX” to mpf-help@fhlbc.com, within a business day of the disaster and no later than **one business day** after receipt of all required documentation, including the following information:

- Whether the recommendation is to initiate or continue foreclosure proceedings, including the foreclosure referral date if the request is for a continuation;
- The date the disaster event occurred;
- The status of any repairs to the property;
- Insurance loss claim date, status, and the amount of proceeds that have been or are expected to be disbursed, as applicable; and
- A summary of any engagement with the borrower, including whether Quality Right Party Contact (QRPC) has been achieved and the borrower's intention for the property.

To gain a full understanding of these topics, PFIs should review the entire Fannie Mae Lender Letter plus any applicable Fannie Mae Servicing Guide chapters, forms, or exhibits noted in the announcement.

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

- [MPF Customer Service Portal](#)
- Email: MPF-Help@fhfbc.com
- Phone: (877) 345-2673

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