

MPF Announcement

September 19, 2019

2019-49

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

REFERENCE

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Clarifications to the MPF Traditional Servicing Guide

Escrow Waiver Requirements

Updated our escrow waiver policy, by removing the requirement that a Mortgage Loan must be aged a minimum of 24 months, either from loan origination or from the completion of a repayment plan, before becoming eligible for an escrow waiver.

Clarified the escrow waiver eligibility requirements, in order to be eligible for an escrow waiver the Borrower must meet the following requirements:

- Not have made any payments that were sixty (60) days or more past due within twenty four (24) months prior to the escrow waiver request date.
- The Borrower has not received a prior mortgage loan modification.
- The Borrower has not previously been approved for an escrow waiver and failed to make all payments timely, as required.

Servicers are required to follow all Applicable Laws, the applicable Government Agency guidelines, and MI company guidelines when waiving and reinstating Escrow.

For all other escrow waiver requirements, see MPF Traditional Servicing Guide section 2.9.2.

Guide Template

The MPF Traditional Servicing Guide template has been updated, with this update any typos/formatting issues have been corrected. Please note the contents of the MPF Traditional Servicing Guide have not changed.

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