

MPF Announcement:

2020-75

Date:

November 19, 2020

Alert:

Clarification

New Policy

Policy Update

Reminder

Training Information

Audience:

Compliance/Legal

Program Management

Origination

Quality Control

Servicing

Underwriting

Product:

MPF Direct

MPF Government MBS

MPF Traditional

MPF Xtra®

Effective Date:

Immediately

MPF Government MBS Pooling Clarifications

The investor for the MPF Government MBS Product, Ginnie Mae recently published APM 20-07: Temporary Pooling Restrictions on Re-performing Loans and APM 20-13: Notification regarding Loans after Deferment Loss Mitigation, concerning the pooling of re-performing loans that successfully completed a loss mitigation workout. At this time, the MPF Program will not participate in pooling re-performing loans.

The MPF Program would like to remind Servicers of the following:

- Servicer's must comply with the applicable mortgage insurer/guarantor's requirements for loss mitigation, however, Servicer's are prohibited from modifying the terms of loans held in Ginnie Mae pools that affect the amount or duration of loan payments. For example:
 - To exercise a deferment option, the loan does not need to be repurchased.
 - In order to exercise loss mitigation options that require a change of loan terms such as a loan modification, the loan must be repurchased in accordance with section 8.2 - Delinquent Government MBS Loans of the MPF Government MBS Servicing Guide.
- The MPF Program only accepts loans that are current on Funding Date (i.e., the date the loan is sold into the Program). Loans in a loss mitigation plan (such as forbearance plan, repayment plan or other such plan) or loans with material modifications,

Reference

[APM 20-07: Temporary Pooling Restrictions on Re-performing Loans](#)

[APM 20-13: Notification regarding Loans after Deferment Loss Mitigation](#)

Please note you can access the [MPF Guides](#) and [MPF Announcements](#) on our [MPF Website](#).

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such as changes to the original loan amount, interest rate, final maturity, or product structure, are not eligible for delivery to into the MPF Program. For example:

- If a Servicer exercises a deferment plan prior to delivering the loan, the loan is not eligible for delivery; or
- If a Servicer repurchases a loan due for loss mitigation purposes, the loan is not eligible for redelivery into the MPF Program.