



Advantage MPP



INFORMATIONAL BULLETIN

**MPP BULLETIN
15-20**

**Effective
November 20,
2020**

**COVID-19
Related
Extensions**

**Note Execution
Reminder**

*Please contact our
MPP Department at
1-800-274-4636 with
questions.*

COVID-19 Origination and Loan Delivery

FHLBank Indianapolis continues to monitor the COVID-19 pandemic and its potential impact on borrowers as well as our members. These MPP Bulletins are intended to provide additional information to keep you informed of related changes.

Extension of effective dates

Advantage MPP has elected to adhere to the Fannie Mae and Freddie Mac guidance regarding temporary selling flexibilities for certain requirements such as appraisals and income documentation. For these items, Fannie Mae and Freddie Mac have extended the effective date to include mortgages with application dates through 12/31/2020. Consequently, to stay in concert with the selling flexibilities related to COVID-19, FHLBank Indianapolis has extended the effective date to 12/31/2020 as well.

Loan Delivery

As a reminder, mortgage loans must be current at the time of sale to FHLBank Indianapolis. Loans that have been placed into forbearance prior to sale are not considered current and are presently ineligible for delivery to Advantage MPP. Loans that were granted forbearance but have been fully reinstated prior to sale are considered current and are eligible for delivery to Advantage MPP.

Reminder for Note Executions

The Document Custodian is required to perform a comprehensive review prior to certifying a Mandatory Delivery Contract (MDC) for delivery and funding. A common reason an MDC may be rejected is if the Notes are not executed properly.

Note executions

Occasionally Notes are either undersigned or oversigned by the borrower. The Document Custodian is required to:

“Verify that each signature on the Note agrees with the name typed below the signature line it appears on. FHLBank Indianapolis will accept Notes with undersigning (with name affidavit) or oversigning by the borrower.

Undersigning occurs when the borrower does not sign the complete name as typed below the signature line, such as not signing a middle initial. If a Note is undersigned, a name affidavit is required to be placed in the Custody File. Oversigning occurs when the borrower signs more than is typed below the signature line, such as signing a full middle name instead of an initial. No additional documentation is required for oversigning.”

Please ensure the closers are looking for occasions of undersigning or oversigning to prevent delays in certification and funding of the MDCs. The MDC certification process may be found in the MPP Guide, Appendix A, section 1.3.

This pandemic situation is fluid; Advantage MPP staff will continue to monitor and provide updates as this situation evolves. As always, please contact our staff with any questions related to this bulletin.

FHLBank Indianapolis periodically issues Informational Bulletins to provide program updates and information to approved Mortgage Purchase Program (MPP) sellers, including: MPP Guide revisions and changes; operational guidance or clarifications; and notices/reminders of industry issues that may affect sellers and servicers.

The Informational Bulletins are coded so that users can easily identify the issue and year of bulletin publication. For example, “Bulletin 04-20” indicates the fourth Informational Bulletin issued in 2020.

Please retain these bulletins in the back of your MPP Guide for easy reference. Bulletins can also be found posted on the MPP Materials page online.