

# FHLBank Update

## COVID-19 Forbearance Accommodations and Reminders for MPF® Traditional Loans

As borrowers approach the end of their initial 90-day Mortgage Partnership Finance® (MPF®) COVID-19 forbearance period, many Participating Financial Institutions (PFIs) and Servicers are experiencing delays in connecting with borrowers to evaluate them for extensions of the forbearance or workout options. In an effort to assist our members through these unprecedented circumstances, FHLBank Pittsburgh is providing the following reminders and accommodations for MPF Traditional (Conventional) loans only.

### Quality Right Party Contact (QRPC) Accommodations and Reminders

- PFIs and Servicers are expected to contact borrowers who have received an initial 90-day forbearance plan no later than 30 days prior to the forbearance plan term's expiration. PFIs and Servicers experiencing delays in connecting with borrowers are required to continue all efforts to achieve Quality Right Party Contact (QRPC). For more information on QRPC, please see the [MPF Announcement](#).
- If QRPC is not established, PFIs and Servicers must abide by the terms of the agreement that was communicated to the borrower when the initial 90-day forbearance was established, including enforcement of agreement for the borrower's failure to perform as agreed.
- PFIs and Servicers who have achieved QRPC, but are having difficulties obtaining complete packages and/or evaluating packages from the borrower for work out options, are granted an additional 90 days (180 days total initial period), without obtaining MPF Bank approval, if permitted by law.
- PFIs and Servicers are reminded that any extension to the initial forbearance period and/or changes to the initial forbearance agreement should be done pursuant to applicable laws and properly communicated to the borrowers.

As a reminder, PFIs and Servicers are required to abide by all federal and state laws as well as the most recent COVID-19 related [servicing guidance](#) for MPF Traditional (Conventional) loans including that published in MPF Announcement 2020-60 on September 14, 2020 and MPF Announcement 2020-43 on July 7, 2020.

### Additional Reminders

- Before entering into any forbearance agreement, payment deferral agreement, or other loss mitigation option for the borrower, PFIs should consult both COVID-19 related servicing guidance for MPF Traditional (Conventional) loans (including those referenced above) as well as the MPF Traditional Servicing Guide, as any such accommodations must comply with such guidance.
- PFIs are reminded that all foreclosure-related activities remain suspended through December 31, 2020. During the period of the extension, Servicers must not, except with respect to a vacant or abandoned property, initiate any judicial or non-judicial foreclosure process, move for a foreclosure



judgment or order of sale, or execute a foreclosure sale. (This suspension does not apply to mortgage loans secured by properties that have been determined to be vacant or abandoned, unless state/local law suspends such action on such properties.)

- MPF Government loans must follow relief policies and guidance issued by the applicable government agency.
- MPF Xtra<sup>®</sup> loans must follow relief policies and guidance issued by Fannie Mae. For more information, please see the [MPF Announcement](#).

If you have any questions, please contact the FHLBank Pittsburgh MPF Program team at 800-288-3400, option 3, or [pghmpf@fhlb-pgh.com](mailto:pghmpf@fhlb-pgh.com).

*"MPF," "Mortgage Partnership Finance," and "MPF Xtra" are registered trademarks of the Federal Home Loan Bank of Chicago.*

