



**FHLBank**  
Chicago

**mpf** Mortgage  
Partnership  
Finance™

## **MPF® Traditional Product: Housing Impact Pricing for Conventional Loans Frequently Asked Questions (FAQs)**

### **What is Housing Impact pricing?**

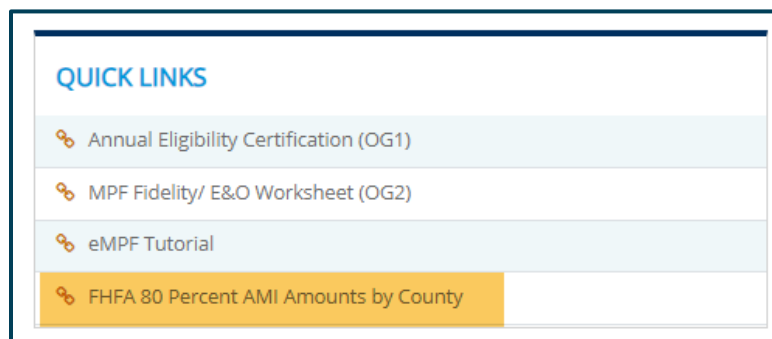
The new **Housing Impact** pricing offers improved conventional 30-year fixed pricing options for low to very low-income borrowers.

### **What is considered a low or very low-income borrower?**

Low or very low-income borrowers have total qualifying income that falls at or below 80% of the Area Median Income (AMI) for the property's location.

### **How do I know what 80% of the AMI is for a particular area?**

There is a link to a look-up tool in the **Quick Links** section located on the eMPF® homepage:



## What do the new Housing Impact pricing options look like in eMPF?

The new 30-year fixed Housing Impact pricing options are clearly labeled. They are divided into pricing subproducts categorized by maximum loan amounts.

MPF Traditional				Select All
Product	Pricing Subproduct			Remittance Type
<input type="checkbox"/> Select All <input type="checkbox"/> FX15 <input type="checkbox"/> FX20 <input checked="" type="checkbox"/> <b>FX30</b> <input type="checkbox"/> GL15 <input type="checkbox"/> GL30	<input type="checkbox"/> Select All <input type="checkbox"/> Fixed 30 Yr 85k Max Ln Amt <input type="checkbox"/> Fixed 30 Yr 110k Max Ln Amt <input type="checkbox"/> Fixed 30 Yr 125k Max Ln Amt <input type="checkbox"/> Fixed 30 Yr 150k Max Ln Amt <input type="checkbox"/> Fixed 30 Yr 175k Max Ln Amt <input type="checkbox"/> Fixed 30 Yr 200k Max Ln Amt <input type="checkbox"/> Fixed 30 Yr 225k Max Ln Amt <input type="checkbox"/> Fixed 30 Yr 250k Max Ln Amt <input type="checkbox"/> Fixed 30 Yr 275k Max Ln Amt	<input type="checkbox"/> Fixed 30 Yr <input type="checkbox"/> Fixed 30 Yr High Bal <input checked="" type="checkbox"/> <b>Fixed 30 Yr 85k Max Ln Amt Housing Impact</b> <input type="checkbox"/> Fixed 30 Yr 110k Max Ln Amt Housing Impact <input type="checkbox"/> Fixed 30 Yr 125k Max Ln Amt Housing Impact <input type="checkbox"/> Fixed 30 Yr 150k Max Ln Amt Housing Impact	<input checked="" type="checkbox"/> <b>Fixed 30 Yr 175k Max Ln Amt Housing Impact</b> <input type="checkbox"/> Fixed 30 Yr 200k Max Ln Amt Housing Impact <input type="checkbox"/> Fixed 30 Yr 225k Max Ln Amt Housing Impact <input type="checkbox"/> Fixed 30 Yr 250k Max Ln Amt Housing Impact <input type="checkbox"/> Fixed 30 Yr 275k Max Ln Amt Housing Impact <input type="checkbox"/> Fixed 30 Yr Housing Impact	<input type="checkbox"/> Select All <input type="checkbox"/> Scheduled/Scheduled <input type="checkbox"/> Actual/Actual - Single Remittance Option <input type="checkbox"/> Actual/Actual

## We use a Product and Pricing Engine (PPE). Will the new Housing Impact pricing be available through our PPE?

The new Housing Impact pricing will be available through MPF Program approved PPE providers.

## Is the process for obtaining delivery commitments (DCs) for the Housing Impact pricing options any different?

No, however upon selecting one of the Housing Impact pricing options in eMPF, you will see a message (illustrated below) designed to make you aware of the 80% AMI requirement and your subproduct choice.

You have selected the Fixed 30 Yr 150k Max Ln Amt Housing Impact subproduct. The borrower income for each loan funded under this Delivery Commitment's subproduct must be less than or equal to 80% of Area Median Income AND the Original Loan Amount for each loan funded under this Delivery Commitment's subproduct must be less than or equal to \$150,000.00. If you have any questions regarding this subproduct, please contact the MPF Service Center at (877) 345-2673.

## Do we have to consider the income of all household members or just the borrower's income?

The qualifying income of all borrowers who sign the promissory note should be used to determine eligibility for the Housing Impact pricing. Please note that all income should be calculated according to the MPF Traditional product guidelines. Income from any non-borrower household members does not need to be considered.

**What if the borrower qualifies for the Housing Impact pricing using only their base salary but does not qualify when considering their bonus or overtime?**

In determining whether a mortgage is eligible under the borrower income limits, you should use the same income that is being considered in evaluating the borrower's creditworthiness for the loan. The qualifying income used to meet the Housing Impact eligibility criteria should match the qualifying income data submitted at the time of loan delivery.

**What happens if after obtaining a DC, it has been determined that the borrower's qualifying income exceeds 80% of the AMI?**

To avoid this issue, it's best to verify the borrower's qualifying income before obtaining a Housing Impact DC. In the event that the qualifying income exceeds 80% of the AMI, you must enter into a new, non-Housing Impact DC. Any applicable fees incurred from the pair-off for the Housing Impact DC will apply.

**What if a post-delivery QC review determines that the borrower's qualifying income was calculated incorrectly and no longer meets the criteria for the Housing Impact pricing?**

While we hope this will not be an issue, we feel that any instances of this situation would have to be dealt with on a case-by-case basis.

**Do I need to use the Downpayment Plus<sup>®</sup> Program (DPP) income qualification criteria?**

No. The total qualifying income of all borrowers who sign the promissory note should be used to determine eligibility for the Housing Impact pricing. Please note that all income should be calculated according to the MPF Traditional product guidelines. The DPP guidelines should not be used for determining eligibility for the MPF Housing Impact Pricing Grids.

**Do I need to contact my Product and Pricing Engine (PPE) to have access to the grids?**

The MPF Program is providing housing impact pricing to all of the [PPEs we have relationships](#) with and the PPEs have told us that they will provide the housing impact price updates to their customers. We understand that each PPE has a different plan for rolling out the new pricing for their customers. We recommend

contacting your PPE representative if you do not see the MPF Housing Impact Pricing Grids.

**Are HomeReady® and Home Possible® loans eligible for the Housing Impact Pricing Grids?**

Not all loans eligible for HomeReady and Home Possible are eligible for the Housing Impact Grids.

**Will DU® and LPA provide messaging based on income?**

If you use DU or LPA to underwrite your MPF Traditional loans, feedback messaging may indicate a loan is eligible for Fannie Mae's HomeReady or Freddie Mac's Home Possible product. While those options are not eligible under the MPF Traditional product, they do have the same 80% AMI requirement as the Housing Impact pricing. This feedback messaging from DU or LPA can serve as a reminder that a loan may be eligible for MPF Housing Impact Pricing.

**Are second homes eligible for the MPF Housing Impact Grids if they meet the 80% AMI criteria?**

No, second homes are not eligible for the MPF Housing Impact Grids, regardless of income.