

MPF Xtra® Product Investor Reporting Changes

December 2021



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Topics of Discussion

- **What is Changing**
- **Daily Reporting**
- **Fannie Mae's Expanded Loan Level Activity File (LAR 96)**



What is Changing

What is Changing

There are two changes taking place for Servicers of MPF Xtra[®] product loans

Beginning with the March 2022 loan activity reporting, all Servicers of MPF Xtra loans will be required to report daily to the Master Servicer.

- Currently 70% of MPF Xtra Servicers utilize the daily reporting method.

All Servicers of MPF Xtra loans must change their loan level activity reporting layout to the **Fannie Mae Expanded Loan Activity Report (LAR 96)** format.

- The **Fannie Mae Expanded LAR 96** format will replace both **Exhibit C: *Electronic ASCII Text File Layout*** and **Exhibit D: *Excel Data File Format***.
- Servicers may begin using the **Expanded LAR 96** file as early as March 2, 2022 (March activity).
- Use of the **Expanded LAR 96** file becomes mandatory on July 5, 2022 (July activity).

Daily Reporting

Daily Reporting

In 2018, the MPF Program introduced three different methods that could be used for reporting activity on MPF Xtra loans

The three options were as follows:

- Daily Reporting
- ~~Monthly Reporting with Limited Daily Reporting~~
- ~~Monthly Reporting~~

Beginning with March 2022 activity reporting, all Servicers not currently utilizing daily reporting must begin to report daily.

Why Daily Reporting?

- Similar to the use of the **Expanded LAR 96** file, we are moving to daily reporting to align with Fannie Mae's standard requirements.
- Daily reporting is currently utilized by over 70% of MPF Xtra Servicers.
- Daily reporting reduces reporting errors.
- Daily reporting better aligns with Form SG301-X.
- The term daily reporting can be deceiving. It does not necessarily mean that a report has to be submitted every day. Reports only have to be submitted when there is activity that requires reporting.

Daily Reporting Requirements

- All activity including removal transactions (payoffs, liquidations) are reported throughout the month on the business day that follows the posting of the activity.
 - Use either **Exhibit C or D** as you do today until ready to begin using the new **Expanded LAR 96**.
- Initial Turnaround Reports (iTARs) are provided to Servicers no later than the business day following any activity reporting. Any corresponding Exception Clearing Reports (ECRs) are due to the Master Servicer within 24 hours after the receipt of the iTAR.
- Loans that have not reported any activity by the 21st are reported on the 22nd (or previous business day if a weekend or holiday).
- A Final Turnaround Report (fTAR) will be issued no later than the 2nd business day of the following month.

Daily Reporting Example

March 1	<ul style="list-style-type: none">• Upload Forms SG300 and SG301-X into ServicerConnect• Report all required activity from February using current file format and reporting method (ServicerConnect)
March 2	<ul style="list-style-type: none">• If there are any loans 30+ days delinquent or loans with known bankruptcies, upload an Exhibit B file into eMAQCS®plus• Report all loan activity from March 1 using current file format (or LAR 96 if ready to switch)
March 3-21	<ul style="list-style-type: none">• <i>Continue to report any daily loan activity on the business day following the posting of the activity</i>
March 22	<ul style="list-style-type: none">• Report any loan activity that occurred on March 21• Report any loans that have experienced no activity from March 1 through March 21
March 23-April 1	<ul style="list-style-type: none">• <i>Continue to report any daily loan activity on the business day following the posting of the activity</i>

- If there is no activity on a given day, a loan level activity report does not have to be submitted.
- If an iTAR is received that requires a response with an Exception Clearing Report (ECR), the ECR must be sent within 24 hours of receiving the iTAR.

Naming Convention for Loan Level Activity Files

It is critical to use the proper naming convention when uploading loan level activity files into the ServicerConnect website

- **Naming convention for loan level activity files:**

- ✓ File Name_MMDDYYYY
- ✓ MMDDYYYY reflects the **date the file is being uploaded**
- ✓ A loan level file does not have to be submitted if there was no activity on any MPF Xtra loans on the previous business day.

Example: c123456_MMDDYYYY

*The Master Servicer provides Servicers a file name which begins with the letter 'C' followed by a series of digits.
c123456 shown above is an example only.*

NOTE: File names must always use the 2-digit month, 2-digit day and 4-digit year (example: May 3, 2022 must be shown, as 05032022, **not** 532022 or 5322).

Cumulative Reporting

When loans experience multiple instances of activity during the month, all previous activity for that month must be included on any subsequent reporting.

Reporting for all MPF Xtra loans is **cumulative**, here's an example:

Bob makes his regular P&I payment on March 1st.
On March 23rd he makes a \$1,000 curtailment (principal reduction)

- Report his regular P&I payment on March 2nd.
- On March 24th, his March 1st payment must be reported again along with the \$1,000 curtailment.

Daily Reporting Summary

- Daily reporting must begin in March 2022.
- **Exhibits C or D** may be used for daily reporting until July 2022 when use of the **Expanded LAR 96** becomes mandatory.
- All removal transactions such as payoffs or liquidations must continue to be reported on the business day following the posting of the transaction.
- Loan level activity reports must be submitted on the business day following the posting of any activity by Noon EST via ServicerConnect.
- If no activity occurs, a loan level activity report is not required.
- Reporting is cumulative. Any subsequent loan activity occurring within the same reporting month must be reported along with any previous activity.

Fannie Mae's Expanded LAR 96

New Activity Reporting File

To align with Fannie Mae's standard investor reporting requirements, the MPF Program will begin using *Fannie Mae's Expanded LAR 96* file format

- Servicers may begin using the **Expanded LAR 96** file format beginning with their March activity reporting (March 2nd).
- Servicers will have until July 5th to begin using the **Expanded LAR 96** file.
- Format testing will be available starting in March 2022 for those who want to submit a test file(s) before using the **Expanded LAR 96** file.
 - More details about testing will be announced in early 2022.

Preparing to Switch

- The Master Servicer must be notified at least **15 days** before submitting your first **Expanded LAR 96** file.
 - This allows the Master Servicer time to prepare for receipt of the new format.
- The **MPF Xtra Reporting Change Notification (Form SG370-X*)** should be used to notify the Master Servicer of the first submitted **Expanded LAR 96** date.
- Forms must be emailed to: CTSFHLBLoanAccountingTeam@WellsFargo.com

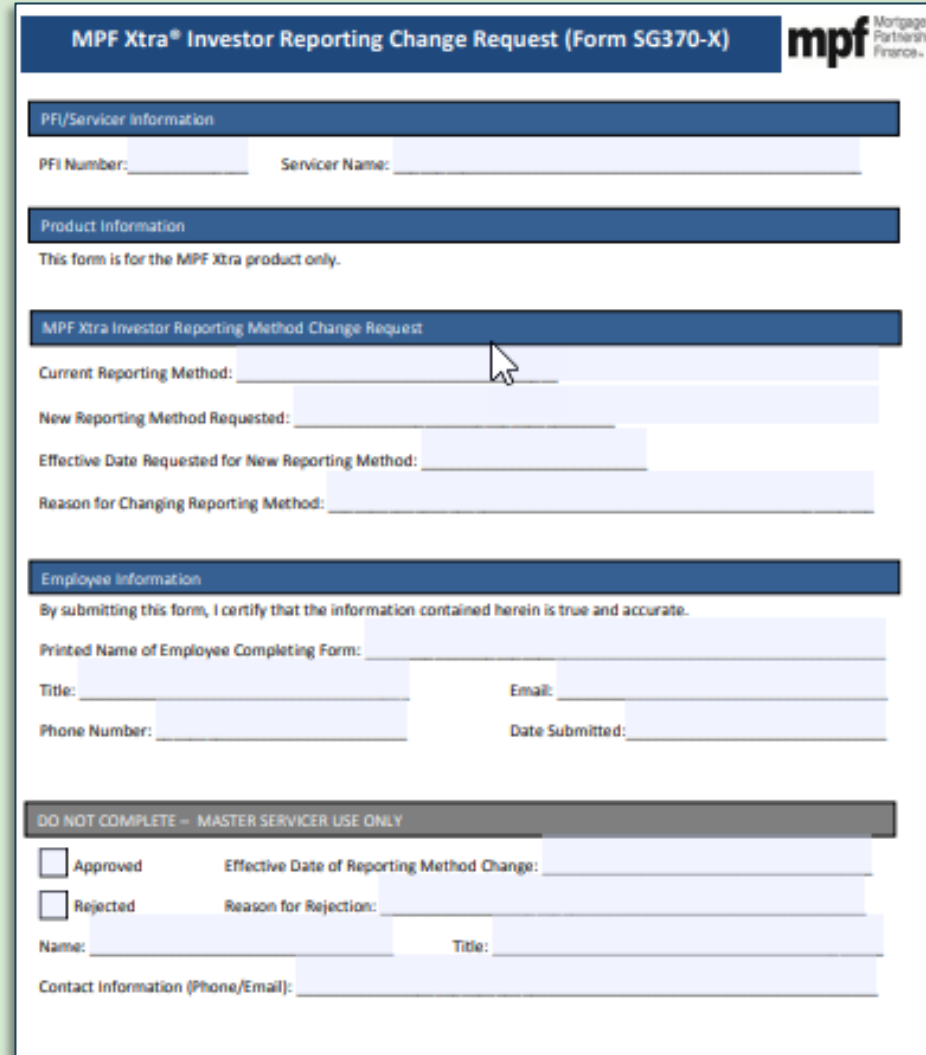
* Form SG370-X is found in the *Glossary Exhibits and Forms* section of the MPF Guides.

SG370-X Example

This form should be submitted no less than 15 days prior to the date of your first **Expanded LAR 96** submission.

Servicers may begin using the **Expanded LAR 96** as early as the March activity reporting (beginning March 2nd).

All Servicers must be using the **Expanded LAR 96** by July activity reporting (July 5th).



The form is titled "MPF Xtra® Investor Reporting Change Request (Form SG370-X)" and features the MPF Mortgage Partnership Finance logo. It is divided into several sections: "PFI/Servicer Information" with fields for PFI Number and Servicer Name; "Product Information" with a note that the form is for the MPF Xtra product only; "MPF Xtra Investor Reporting Method Change Request" with fields for Current Reporting Method, New Reporting Method Requested, Effective Date Requested for New Reporting Method, and Reason for Changing Reporting Method; "Employee Information" with a certification statement and fields for Printed Name of Employee Completing Form, Title, Email, Phone Number, and Date Submitted; and a "DO NOT COMPLETE - MASTER SERVICER USE ONLY" section with checkboxes for Approved and Rejected, and fields for Effective Date of Reporting Method Change, Reason for Rejection, Name, Title, and Contact Information (Phone/Email).

MPF Xtra® Investor Reporting Change Request (Form SG370-X) **mpf** Mortgage Partnership Finance

PFI/Servicer Information
PFI Number: _____ Servicer Name: _____

Product Information
This form is for the MPF Xtra product only.


MPF Xtra Investor Reporting Method Change Request
Current Reporting Method: _____
New Reporting Method Requested: _____
Effective Date Requested for New Reporting Method: _____
Reason for Changing Reporting Method: _____

Employee Information
By submitting this form, I certify that the information contained herein is true and accurate.
Printed Name of Employee Completing Form: _____
Title: _____ Email: _____
Phone Number: _____ Date Submitted: _____

DO NOT COMPLETE - MASTER SERVICER USE ONLY
☐ Approved Effective Date of Reporting Method Change: _____
☐ Rejected Reason for Rejection: _____
Name: _____ Title: _____
Contact Information (Phone/Email): _____

Example of the Expanded LAR 96

- This is an example of the first page of the **Expanded LAR 96** layout.
- Instructions and formatting examples are provided.
- Fields are noted as **Mandatory** or **Optional**.
- Opportunities to test the file format will be announced at a later date.

Electronic Transmission – LAR 96 File Layout (Exhibit XX)							
Data Field Elements Required for Submission by File							
Data Field #	Field Name	Position	Field Length	Field Format Example	Field Type	Comments	Mandatory or Optional
1	Lender Number	001-009	9	999999999	Numeric	A unique number assigned to the servicer by MPF	Mandatory
2	Investor	010-010	1	F	Alphanumeric	Always F = Fannie Mae	Mandatory
3	Record Identifier	011-012	2	96	Numeric	The Type of transaction. Always 96	Mandatory
4	Source Code	013-013	1	0	Numeric	Always 0	Mandatory
5	MPF Loan Number	014-023	10	9999999999	Numeric	A unique number assigned to the loan by MPF.	Mandatory
6	LPI Date	024-027	4	0322 <i>Indicates a date of March 2022</i>	Date <i>MMYY</i>	The due date of the last paid installment reported by the servicer on the LAR.	Mandatory
7	UPB	028-038	11	0000660255F <i>Indicates an ending actual unpaid Principal Balance amount of \$66,025.56</i>	Alphanumeric S9(9)V99; zone signed	The unpaid principal balance as reported by the servicer on the LAR.	Mandatory
8	Interest	039-049	11	B	Alphanumeric S9(9)V99; zone signed	The amount of net interest as reported by the servicer on the LAR.	Mandatory

Next Steps

- Inform any staff who may be involved in this change and/or determine if any processes or systems will be impacted.
- Reach out to your servicing system provider or sub-servicer so they understand the timing and availability of the **Expanded LAR 96** file format.
- Watch for additional announcements and follow up webinars that will cover the following:
 - Availability of the **Expanded LAR 96** file template.
 - Instructions for testing the **Expanded LAR 96** file (testing opportunities will be available in early 2022).

ServicerConnect Contacts

Technical Support

- Email: ctslink.customerservice@wellsfargo.com

ServicerConnect Support

- Email: servicerconnect@wellsfargo.com
- For loan level issues contact your Master Servicer Analyst



MPF Program Information

MPF Investor Reporting

MPFInvestorAccounting@fhlbc.com

MPF Service Center

Phone - 877-345-2673

Email - MPF-Help@FHLBC.com

Hours - 8:30 am to 4:30 pm CST

MPF National Education

mpftraining@fhlbc.com