

# MPF Xtra® Product Pre-Funding Certification

December 2021



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# Topics of Discussion

- **What is Changing?**
- **Impact on Pricing and Delivery Commitments**
- **eMPF® Website Updates**
- **Certification Process Review**
- **Reports**



# Overview of Upcoming Changes to the MPF Xtra<sup>®</sup> Funding Process

# What is Changing

**MPF Xtra® loans must be certified by the MPF® Program Custodian before the loan funding process can be completed.**

- This will impact MPF Xtra loans with funding confirmations not received by **February 1, 2022**.
- Today, MPF Xtra certifications occur after a loan has funded. That will no longer be the case as loans will need to be certified before funding may occur.
  - A successful Loan Funding Request submission will be required to begin the certification process.
- Delivery Commitments (DCs) may need to include additional time to complete both the certification process and funding with Fannie Mae (FNMA).

# What's Changing

**Any MPF Xtra loan that has not received a funding confirmation on or before February 1, 2022 must follow the new pre-funding certification process**

- Loans with funding confirmations received on or before February 1, 2022 are not impacted.
- This applies only to MPF Xtra loans.
- There is no change to how Funding Requests are made.
  - Loan Funding Requests must be successfully submitted prior to sending the documents to the Custodian for certification.
- The mechanics of the certification process is not changing, only the timing requirement.

*While this may sound like a simple change, it will impact DCs and possibly your process for monitoring rate expirations and loan certifications.*



# What is Certification?

**Loans are considered “certified” after the MPF Program Custodian has reviewed the applicable custodial documents against the data provided at the time of the funding request and it has been determined that there are no exceptions**

- The Promissory Note with proper endorsements, applicable riders, addendums, modifications, assumptions, assignments and any intervening assignments\* have always been sent to the MPF Program Custodian for review/certification.
- There may be other documents required such as a Power of Attorney (when applicable).
- The documents required for certification is not changing.
- The MPF Program Custodian is Computershare (formerly Wells Fargo Corporate Trust Services).

\* All requirements are outlined on **Exhibit K-X, the MPF Xtra Initial Certification Review Checklist.**

# Delivery Commitments

## DCs will be impacted, requiring additional time to complete the certification process and funding from Fannie Mae

- Please allow for at least an additional 7 business days from the date of your funding request. This will ensure adequate time for both the certification process and funding through Fannie Mae.
  - *The eMPF website will not permit any funding requests to be made with DC expiration dates that are less than 7 business days away.*
  - *We encourage PFIs to review their experiences with certification timelines as an indicator to determine whether more time is needed when establishing the DC expiration date.*
- To assist with the monitoring of the certification and funding process, the eMPF® website will be updated to provide key date reminders and new status tracking reports.



# Pricing and Delivery Commitments

# Potential Impact on Your Process Flow

**Process flow adjustments may be required to ensure that individuals responsible for monitoring rate expirations (DCs) communicate with those who handle document certifications**

- Rate locks should extend through the **certification and funding period**.
- If there are any delays with a certification, an extension may be necessary.
- Individuals responsible for monitoring DCs must make sure that funding requests and certifications are happening within the required timeframe.
- Individuals responsible for document certifications should communicate certification issues that may necessitate rate extensions.



# eMPF Website Changes


MPF Xtra Actual/Actual

Fixed 15 Yr Mandatory

Indicative as of 12/08/2021 09:15:08 AM CT

Note: Data shown is %. All days are calendar days

 DOWNLOAD  PRINT



Commitment Term	5 Days	15 Days	30 Days	45 Days	60 Days	Max*
Last Date To Request Funding	12/09/2021	12/21/2021	01/05/2022	01/20/2022	01/27/2022	02/25/2022
Last Date to Obtain Certification	N/A	N/A	N/A	N/A	02/02/2022	03/03/2022
Commitment Expiration Date	12/13/2021	12/23/2021	01/07/2022	01/24/2022	02/07/2022	03/08/2022

- Along with the DC expiration date, pricing on the eMPF website will display both the last day to request funding and the last day to obtain certification.
- During this interim period, lock terms that may not be impacted by the new pre-certification process will display N/A because they are assumed to fund prior to the DC expiration date (and February 1, 2022).

# eMPF Website Changes

## Delivery Commitment Review Screen

PRICING

Note Rate	Premium/Discount (-)
2.750%	-0.30050000%
2.875%	0.33550000%
3.000%	0.81870000%
3.125%	1.64120000%
3.250%	2.32300000%

Delivery Commitment Information

Delivery Amount (\$): \$200,000.00

Note Rate: 3.000%

Minimum Note Rate: 2.750%

Maximum Note Rate: 3.250%

Product: Fixed 30 Year

Subproduct: Fixed 30 Yr

Expiration Date: 02/10/2022

Last Date to Obtain Certification: 2/7/2022

Last Date To Request Funding: 02/01/2022

Servicing Fee: 25.0 bps

Comments:

Comments are for the personal use of, and are the responsibility of, the PFI.

CANCEL

CHANGE

CONFIRM

Master Commitment Information

Master Commitment Number: 18544

Program: MPF Xtra

Sub-Program: Xtra

Sub-Program Loan Type: FNMA Non-Refi Plus

Delivery Type: Mandatory

Remittance Type:: Actual/Actual

Servicing Model: Servicing Retained

The same dates will appear on the DC Review Screen

# eMPF Website Changes

## Delivery Commitment Confirmation Screen

Delivery Commitment Number 979700 was created at 1:16 PM CT on 11/12/2021.  
An email confirmation has been sent.

EmailPrint

PRICING

Note Rate	Premium/Discount (-)
2.750%	-0.30050000%
2.875%	0.33550000%
3.000%	0.81870000%
3.125%	1.64120000%
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Delivery Type: Mandatory

Remittance Type: Actual/Actual

Servicing Model: Servicing Retained

Also appears on the DC Confirmation

# eMPF Website Changes

In some cases, a rate extension may be necessary to accommodate the time needed to complete a certification



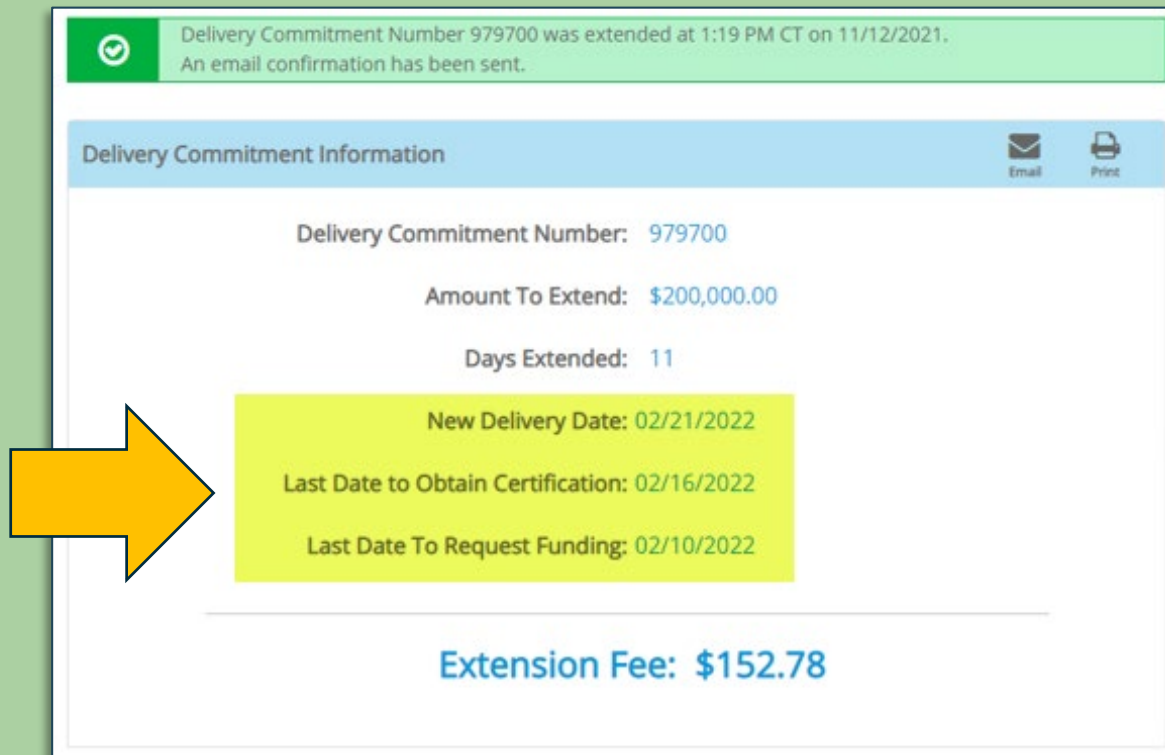
The screenshot displays a 'Delivery Commitment Review' form. It includes fields for 'Delivery Commitment Number: 979700', 'Amount To Extend: \$200,000.00', and 'Days to Extend: 11'. A yellow highlighted box contains the 'New Delivery Date: 02/21/2022', 'Last Date to Obtain Certification: 02/16/2022', and 'Last Date To Request Funding: 02/10/2022'. A large orange arrow points to this box. Below the box, the 'Extension Fee: \$152.78' is shown.

Delivery Commitment Review	
Delivery Commitment Number:	979700
Amount To Extend:	\$200,000.00
Days to Extend:	11
New Delivery Date:	02/21/2022
Last Date to Obtain Certification:	02/16/2022
Last Date To Request Funding:	02/10/2022
Extension Fee: \$152.78	

- When requesting an extension, the last date to request funding and the last date to obtain certification will be displayed prior to accepting the extension.

# eMPF Website Changes

## Delivery Commitment Extension Screen



The screenshot displays the 'Delivery Commitment Extension Screen' on the eMPF website. At the top, a green notification bar with a checkmark icon states: 'Delivery Commitment Number 979700 was extended at 1:19 PM CT on 11/12/2021. An email confirmation has been sent.' Below this is a blue header for 'Delivery Commitment Information' with 'Email' and 'Print' icons. The main content area lists the following details: 'Delivery Commitment Number: 979700', 'Amount To Extend: \$200,000.00', 'Days Extended: 11', and a yellow-highlighted box containing 'New Delivery Date: 02/21/2022', 'Last Date to Obtain Certification: 02/16/2022', and 'Last Date To Request Funding: 02/10/2022'. A large yellow arrow points from the left towards this yellow box. At the bottom, the 'Extension Fee: \$152.78' is displayed.

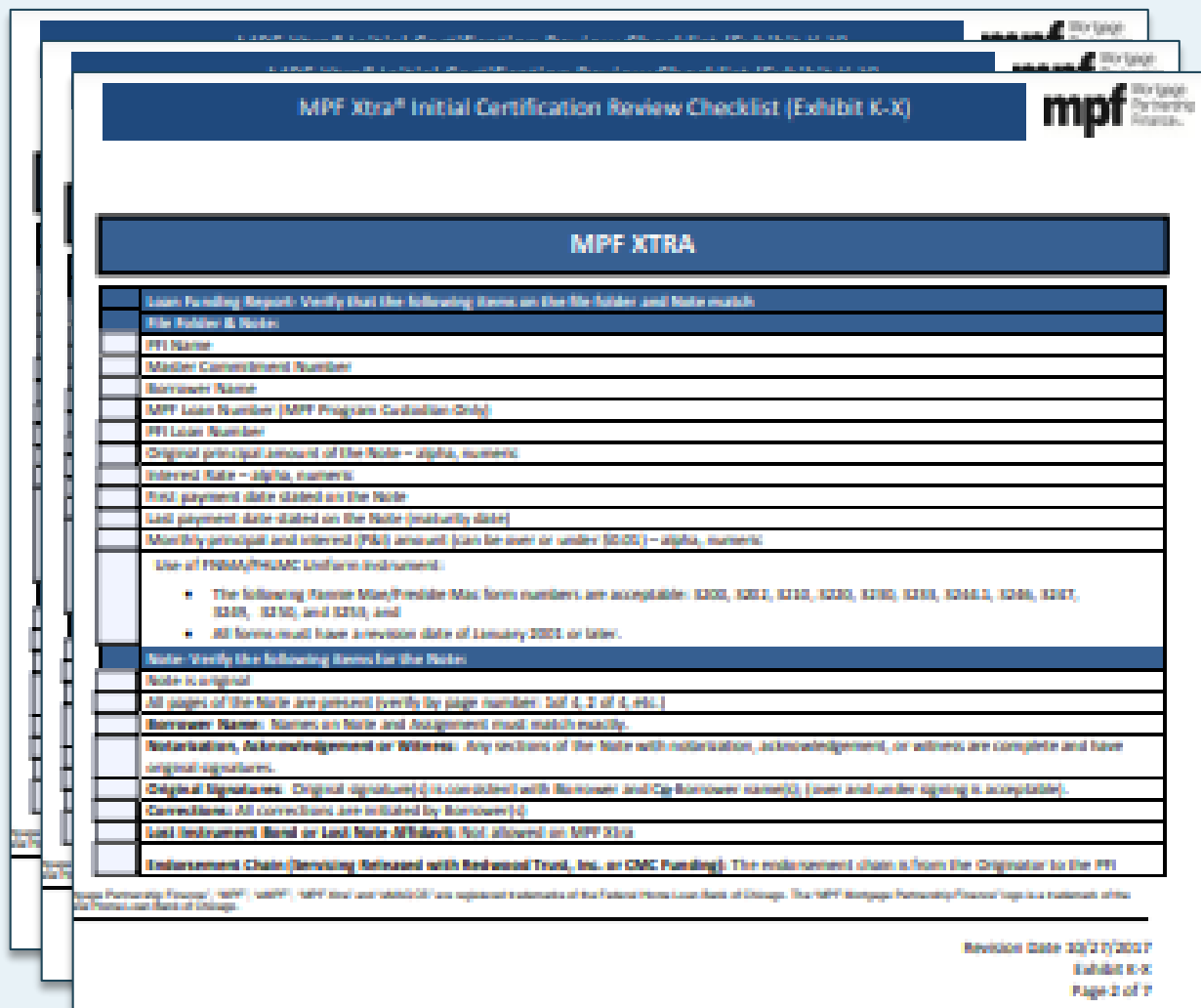
Delivery Commitment Number: 979700
Amount To Extend: \$200,000.00
Days Extended: 11
New Delivery Date: 02/21/2022
Last Date to Obtain Certification: 02/16/2022
Last Date To Request Funding: 02/10/2022
Extension Fee: \$152.78

The same information will be available on the  
DC Extension Confirmation



# Certification Overview

# Exhibit K-X



The image shows a stack of three forms, with the top one being the "MPF Xtra® Initial Certification Review Checklist (Exhibit K-X)". The form has a blue header with the title and the MPF logo. Below the header is a section titled "MPF XTRA" in a blue box. The main body of the form is a checklist with various items to be verified, each preceded by a checkbox. The items include:

- Look Pending Report: Verify that the following items on the file folder and Note match
- File Folder & Notes
- PP1 Name
- Master Commitment Number
- Borrower Name
- MPF Loan Number (MPF Program Custodian Only)
- PP1 Loan Number
- Original principal amount of the Note - alpha, numeric
- Interest Rate - alpha, numeric
- First payment date stated on the Note
- Last payment date stated on the Note (maturity date)
- Monthly principal and interest (P&I) amount (can be over or under \$500) - alpha, numeric
- Use of FRM/RHMC Uniform Instrument:
  - The following Fannie Mae/Freddie Mac form numbers are acceptable: 3100, 3101, 3102, 3103, 3104, 3105, 3106, 3107, 3108, 3109, and 3110; and
  - All forms must have a revision date of January 2001 or later.
- Note: Verify the following items for the Note:
  - Note is original
  - All pages of the Note are present (verify by page number: 1st, 2nd, 3rd, etc.)
  - Borrower Name: Names on Note and Assignment must match exactly.
  - Notarization, Acknowledgement or Witness: Any sections of the Note with notarization, acknowledgment, or witness are complete and have original signatures.
  - Original Signatures: Original signature(s) is consistent with Borrower and Co-Borrower name(s); Loan and under signing is acceptable.
  - Corrections: All corrections are initialed by Borrower(s).
  - Lost Instrument: Lost or Lost Note Affidavit Not allowed on MPF Xtra
  - Endorsement Chain (Servicing Released with Redwood Trust, Inc. or CMC Funding): The endorsement chain is from the Originator to the PP1

At the bottom of the form, there is a footer that reads: "Revision Date 03/21/2007", "Exhibit K-X", and "Page 2 of 7".

**Exhibit K-X, the MPF Xtra® Initial Certification Review Checklist** should be utilized to ensure that all items required for certification are present and properly executed.

The MPF Program Custodian utilizes **Exhibit K-X** to make sure that all documents are satisfactory.

*As a reminder, the document requirements in the checklist are not changing.*

# Document Submissions

**Continue to submit each loan's documents in a legal-sized manila folder with a label in the upper right-hand corner containing the following information:**

- Master Commitment Number,
- MPF Loan Number
- PFI Loan Number
- Borrower Name

**The same as today, documents are sent to the following address:**

Computershare  
ATTN: MPF Program  
751 Kasota Avenue  
Minneapolis, MN 55414



**Folders must be shipped Fed Ex or UPS in order to maintain tracking of the files.**

# Document Submissions

**Once the certification documents are received by Computershare, the expected turnaround time is approximately 2 business days\***

- Certification status will be provided on the new reports available on the eMPF website.
  - The reports are updated daily.
- Once a certification is complete, the MPF Provider will submit the loan to Fannie Mae for funding (allow 2 business days).

*\*Timing from Computershare may vary slightly due to volume.*

# Reports

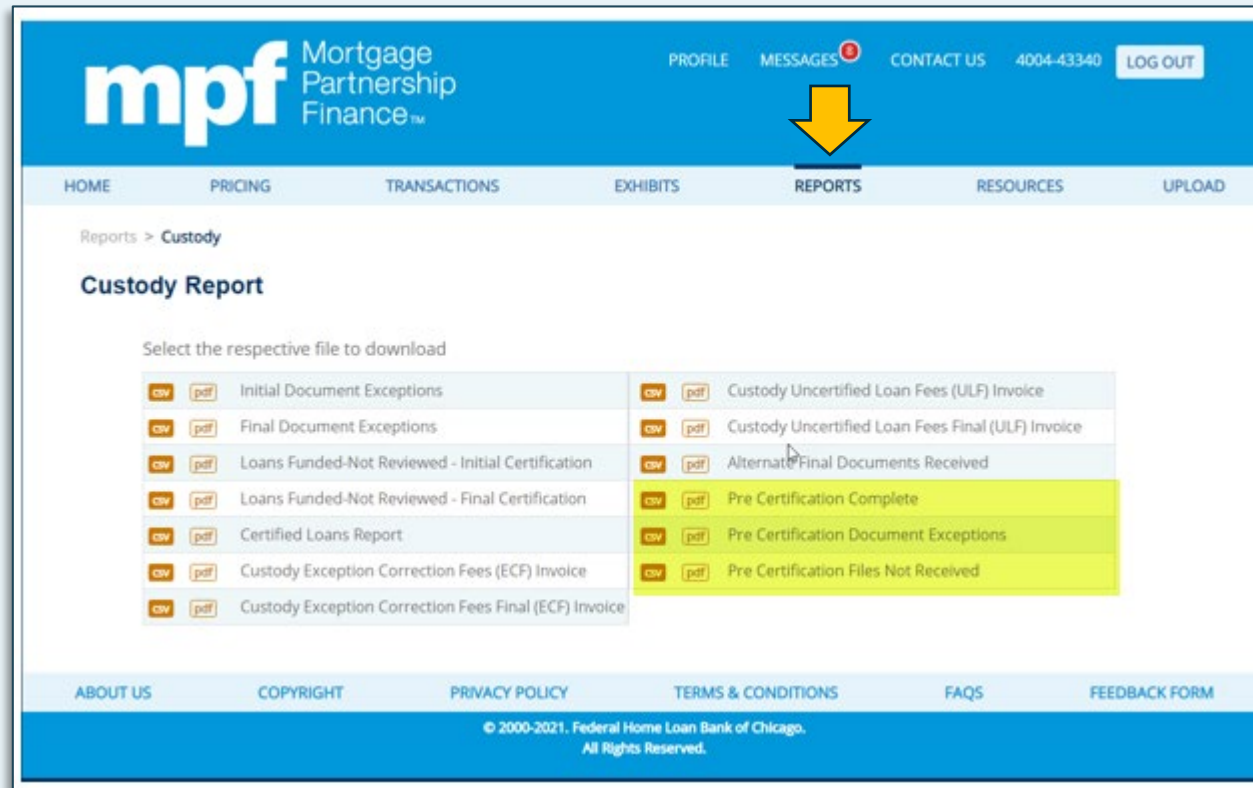
# Reports and Certification Monitoring

## Monitoring both DC expiration dates and certification status is crucial

- Communication between the individuals handling these different tasks is important to ensure that funding requests, certifications, and loan fundings all occur within the set timeframes.
- New custody reports will be available in the eMPF website to assist with the monitoring of your loan certifications.

# Reports

Custody reports are found under the *Reports* tab on the eMPF website



The screenshot displays the eMPF website interface. At the top, the 'mpf Mortgage Partnership Finance' logo is on the left, and navigation links for 'PROFILE', 'MESSAGES' (with a red notification badge), 'CONTACT US', '4004-43340', and 'LOG OUT' are on the right. A yellow arrow points down to the 'REPORTS' tab in the main navigation bar, which also includes 'HOME', 'PRICING', 'TRANSACTIONS', 'EXHIBITS', 'RESOURCES', and 'UPLOAD'. Below the navigation bar, the breadcrumb 'Reports > Custody' is shown. The section is titled 'Custody Report' with the instruction 'Select the respective file to download'. A table of download links is presented, with the last three rows highlighted in yellow. The footer contains links for 'ABOUT US', 'COPYRIGHT', 'PRIVACY POLICY', 'TERMS & CONDITIONS', 'FAQS', and 'FEEDBACK FORM', along with the copyright notice '© 2000-2021. Federal Home Loan Bank of Chicago. All Rights Reserved.'

Select the respective file to download	
	Initial Document Exceptions
	Final Document Exceptions
	Loans Funded-Not Reviewed - Initial Certification
	Loans Funded-Not Reviewed - Final Certification
	Certified Loans Report
	Custody Exception Correction Fees (ECF) Invoice
	Custody Exception Correction Fees Final (ECF) Invoice
	Custody Uncertified Loan Fees (ULF) Invoice
	Custody Uncertified Loan Fees Final (ULF) Invoice
	Alternate Final Documents Received
	Pre Certification Complete
	Pre Certification Document Exceptions
	Pre Certification Files Not Received



# Reports

## Pre-Certification Documents Not Received Report

- Lists those MPF Xtra loans that have been submitted for pre-funding certification but documents have not been received.
- Shows the number of days number of days left between the report creation date and the last day to obtain certification.
  - Loans with **negative** numbers in the top section signifies that those loans have exceeded the last day to obtain certification.
  - Loans with **positive** numbers in the lower section signifies that those loans that are still within the permitted certification period.

<b>mpf</b> Mortgage Partnership Finance		<b>Pre-Certification Documents Not Received</b> <b>In 0 Days</b> As of 12/06/2021						
Federal Home Loan Bank of Chicago		PFI: 4004 Fake State Bank						
MC Number: 11111 MPF Xtra								
MPF Loan Number	PFI Loan Number	Amount	Obtain Cert By	# Days Left	Borrower	Address	City	State Zip Contact
2361838	Xtra_1026_2	\$80,000.00	10/28/202	-39	John D	925 E Howard St	Dallas	TX 71764 Priya
2361887	Xtra_1026_6	\$80,000.00	11/01/202	-35	John D	925 E Howard St	Dallas	TX 71764 Priya
2361926	Xtra_1029_4	\$80,000.00	11/02/202	-34	John D	925 E Howard St	Dallas	TX 71764 Priya
Total Funding Requested, Files Not Received > 0 Days for MC 18571: 3								
Total Loan Principal: \$240,000.00								
MC Number: 11111 MPF Xtra								
MPF Loan Number	PFI Loan Number	Amount	Obtain Cert By	# Days Left	Borrower	Address	City	State Zip Contact
2364567	testUS1	\$80,000.00	12/27/202	21	John D	925 E Howard St	Dallas	TX 71764 Jason Todd
Total Funding Requested, Files Not Received > 0 Days for MC 11111: 1								
Total Loan Principal: \$80,000.00								
Total Funding Requested, Files Not Received > 0 Days for Fake State Bank 4								
Total Loan Principal: \$320,000.00								

# Reports

## Pre-Certification Complete Report

- Shows loans certified during the period noted.
- Shows the date of the funding request.
- Provides the date the certification was completed.
- States the number of calendar days that lapsed between the funding request date and certification date.

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Mortgage  
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Finance

**Pre-Certification Complete**  
For the period between 11/01/2021 and 11/03/2021

Federal Home Loan Bank of Chicago  
PFI: 4004 Fake State Bank

MC Number: 11111    MPF Xtra

Initial

MPF Loan Number	PFI Loan Number	DC Number	Amount	Fund Req Date	Pre Cert Date	Funding Request To Cert
2364110	SS_1111_14	979661	\$80,000.00	10/25/2021	11/1/2021	7

Total Loans Pre-Certification Complete for MC 18597: 1

Total Loans Pre-Certification Complete for MC 18597: 1

Total Loans Pre-Certification Complete for PFI 4004: 1

Total Loans Pre-Certification Complete for PFI 4004: 1

# Reports

## Pre-Certification Document Exception Report

- Lists loans with outstanding exceptions that need to be corrected before certification can be granted.
- Shows the date the exception(s) was cited and the last day to certify.
- Shows how many days have lapsed since the exception was identified and how many days are left until the certification deadline.
- Provides a description of the exception.

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Mortgage  
Partnership  
Finance

**Pre-Certification Document Exception Report**  
For the period between 12/06/1997 and 12/06/2021

Federal Home Loan Bank of Boston

**PFI:** 1112 False Bank of Marblehead

MC Number: 18623 MPF Xtra

MPF Loan Number	PFI Loan Number	Amount	Borrower Information	Obtain Cert By	# Days Left	Date Cited	Days Since Citing	Contact Name
2364592	06122021_xtra	\$80,000.00	Tereohn L Loan	12/28/2021	21	11/03/2021	33	Daniel Jones

TX 7/1/64

Exception Number	Document Code	Exception Code	Short Exception Description	Exception Description
13301247	ALNV	1	Default Exception	FHLBC TO BLANK

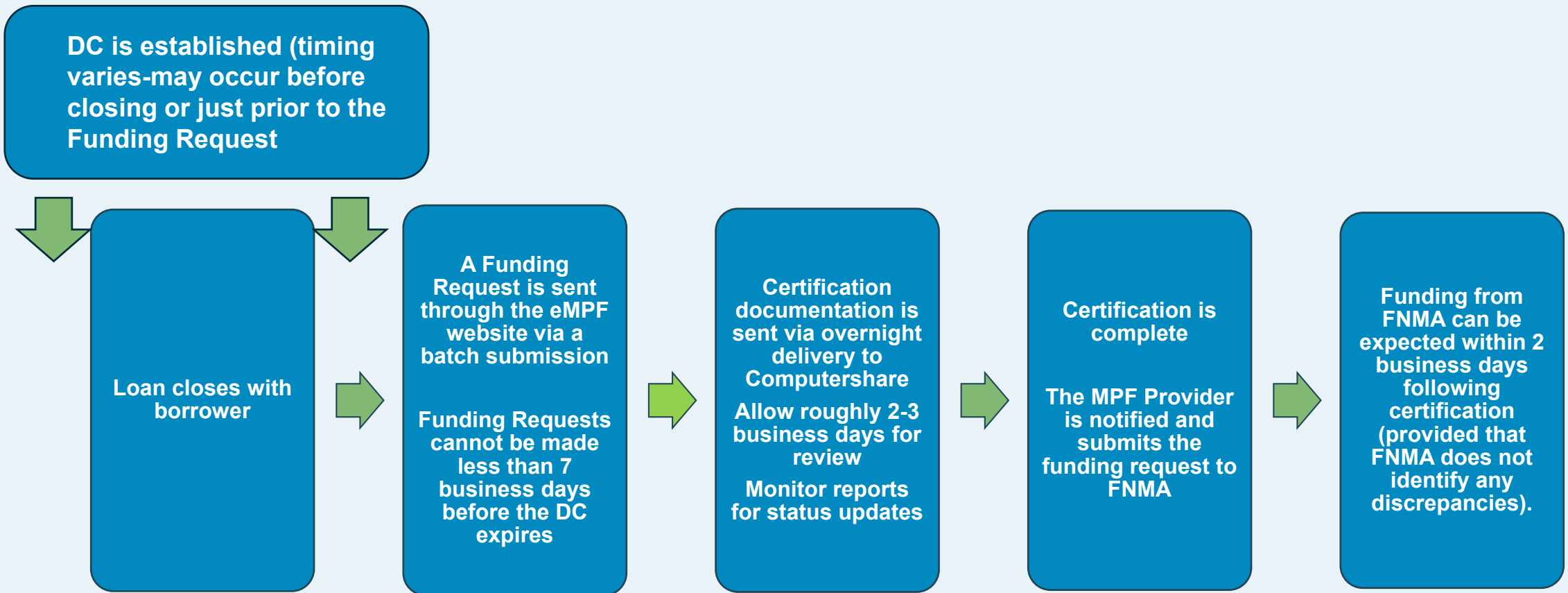
Total Exceptions for Loan Number 2364592: 1

Total Exceptions for MC 18623: 1

Total Exceptions for PFI 1112: 1



# Pre-Funding Certification Flow Example



# MPF Contacts and Resources

## MPF Service Center

Email - [MPF-Help@FHLBC.com](mailto:MPF-Help@FHLBC.com)

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

Phone: (877) 463-6673

Keep up with MPF Xtra product guideline updates  
by subscribing to MPF Announcements:

[www.fhlbmpf.com](http://www.fhlbmpf.com)

