

Instructions Page

Purpose

PFI must use this checklist to ensure all documents in the Collateral File are executed and delivered to the MPF Government MBS Custodian for Initial Certification Review in accordance MPF Government MBS Selling Guide Chapter 8.

Preparation

- **When:** The PFI must use this exhibit when executing and preparing the documents to be maintained in the Collateral File.
- **Who:** This exhibit should be used by an employee of the PFI who has responsibilities that would cause such individual to be knowledgeable of.
- **How:** This exhibit is to be used as a job-aid, which is not required to be submitted.

Additional Guidance

Please email the MPF Custody Department at MPF_Custody@fhlbc.com for any questions or assistance needed in completing the form.

Helpful Hints

- The PFI must deliver all required documents to the MPF Government MBS Custodian for review, certification and safekeeping within seven (7) calendar days of the Funding Date by the MPF Bank.

MPF® Government MBS Initial Certification Review Checklist

Loan Funding Report – Verify that the following items on the file label and Note match	
File Label & Note:	
<input type="checkbox"/>	PFI Name
<input type="checkbox"/>	Master Commitment Number
<input type="checkbox"/>	Borrower Name
<input type="checkbox"/>	MPF Loan Number (MPF Government MBS Custodian Only)
<input type="checkbox"/>	PFI Loan Number
<input type="checkbox"/>	Original principal amount of the Note – alpha, numeric
<input type="checkbox"/>	Interest Rate – alpha, numeric
<input type="checkbox"/>	First payment date stated on the Note
<input type="checkbox"/>	Last payment date state on the Note (maturity date)
<input type="checkbox"/>	Monthly principal and interest (P&I) AMOUNT (can be over or under \$0.01) – alpha, numeric
<input type="checkbox"/>	Use of the legal documents specified by the applicable Government Agency and appropriate for the State in which the security property is located. No modifications to any Security Instrument or Note is permitted other than as required by the applicable Government Agency or by law

Note – Verify the following items for the Note:	
<input type="checkbox"/>	Note is original
<input type="checkbox"/>	All pages of the Note are present (verify by page number: 1 of 4, 2 of 4, etc.)
<input type="checkbox"/>	Note Date: Date on Note must match date on Assignment
<input type="checkbox"/>	Co-Borrower: Co-Borrower Name on Note must match Assignment exactly. Over and Undersigning is acceptable
<input type="checkbox"/>	Notarization, Acknowledgement or Witness: Any sections of the Note with notarization, acknowledgement, or witness are complete and have original signatures.
<input type="checkbox"/>	Notary Date: If both the notary date and the borrower signature date are on the Note, both signature dates must match and must be dated on or before the Note date
<input type="checkbox"/>	Original Signatures: Original signature(s) is consistent with Borrower and Co-Borrower name(s); (over and under signing is acceptable).
<input type="checkbox"/>	Lost Instrument Bond or Lost Note Affidavit: Not allowed on MPF Government MBS
<input type="checkbox"/>	Endorsement Chain (Servicing Released): The endorsement chain is from the Originator to the PFI and then from the PFI to the Federal Home Loan Bank of Chicago and is typed or stamped directly onto the Note (stickers or any other type of removable attachments are not acceptable). For intervening endorsements, the chain of endorsements must be complete from the Originator to the PFI. The final endorsement cannot include a date.
<input type="checkbox"/>	Endorsement Chain (Servicing Retained): For intervening assignments, the chain of endorsements must be complete from the Originator to the PFI. Verify that the endorsement chain is from the Originator to the PFI and then PFI to _____ [blank]. The final endorsement cannot include a date.
<input type="checkbox"/>	Endorser Name: Endorser (PFI) name includes original signature of Designated Officer (who must be an employee of the PFI), along with typed name AND title. The PFI cannot delegate the execution of the endorsement to an attorney-in-fact. If a facsimile signature is used, the Custodian must contact the MPF Provider to ensure that the PFI is in compliance with the MPF Guide requirements for delivering documents with facsimile signatures.
<input type="checkbox"/>	Endorsement Form (Servicing Released): The endorsement must be in the form of “Pay to the order of the Federal Home Loan Bank of Chicago, without recourse.”
<input type="checkbox"/>	Endorsement Form (Servicing Retained): The endorsement must be in the form of “Pay to the order of _____, without recourse.”

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Riders, Addendum, Modification or Assumption – Verify the following items that modify the Note (if applicable):	
<input type="checkbox"/>	Document is present and original.
<input type="checkbox"/>	If it is a copy, the document must be certified by the PFI (Copies are not allowed for MPF Government MBS).
<input type="checkbox"/>	All pages are present (verify by page numbers: 1 of 4, 2 of 4, etc.).
<input type="checkbox"/>	Signature(s) is/are present (MPF Government MBS requires borrower and co-borrower signature, if applicable).
<input type="checkbox"/>	Rider references the Note (MPF Government MBS only).

Assignment – Verify the following items on the Note match the Assignment:	
<input type="checkbox"/>	Borrower Name: Names on Note and Assignment must match exactly. For MPF Government MBS Custodian: If name does not match Loan Funding Report, do not cite Exception. Notify MPF Provider with correction to Loan Funding Report via 'E' File.
<input type="checkbox"/>	Co-Borrower: Co-Borrower Name on Note must match Assignment exactly. Over and Undersigning is acceptable.
<input type="checkbox"/>	Note Date: Date on Note must match date on Assignment
<input type="checkbox"/>	Over and Undersigning: Acceptable on all assignments
<input type="checkbox"/>	Street address (including unit number, if applicable), city, state, zip (verify zip if available): Address on Note and Assignment must match exactly, if provided on the Assignment.

Intervening Assignments - Verify the following items for intervening assignments (if applicable): If the PFI delivering the loan is not the Originator, then the PFI must provide an Intervening Assignment. If MERS is designated in the Security Instrument as the original Mortgagee (MOM), no Intervening Assignments are needed as long as the Mortgage remains registered with MERS. If registered with MERS but MERS is not the original Mortgagee, a complete chain of title from the original.	
<input type="checkbox"/>	There is a complete Assignment chain from original Mortgagee to the current PFI. Each required Assignment may be a recorded original, a copy of a recorded Assignment, or a copy of the Assignment sent for recording. (Assignments from an Affiliate Servicer to the PFI can be unrecorded if original is delivered.)
<input type="checkbox"/>	If a copy, the Intervening Assignment must be a certified copy.
<input type="checkbox"/>	All pages must be present.
<input type="checkbox"/>	Borrower name(s) is consistent with Note
<input type="checkbox"/>	Evidence of recording on original. (Review of this item is not required if the MPF Provider provides a waiver stating that an unrecorded original Assignment is acceptable.)
<input type="checkbox"/>	If witness name is typed, the signature must be present.
<input type="checkbox"/>	The Borrower name(s) on the Intervening Assignment must match the Borrower(s) name on the Mortgage.

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PFI Assignment – Verify the following items for the current Assignment from the PFI:	
<input type="checkbox"/>	Assignment is present and must not be “without recourse.”
<input type="checkbox"/>	Assignment is original (verify by original signatures). Borrower name(s) is consistent with the Note
<input type="checkbox"/>	Assignor is the same as the PFI, and assignee is left blank. Any sections with notarization, acknowledgment, or witness are complete and have an original signature. Original signature of Mortgagee or beneficiary (Designated Officer)
<input type="checkbox"/>	If the Mortgage is registered with MERS as assignee or if MERS is designated in the Security Instrument as the original Mortgagee (MOM), then no PFI Assignment to blank is required. If MERS is designated in the Security Instrument as the original Mortgagee (MOM), a copy of the first page of the Security Instrument is required displaying the Mers Min Number and Mers verbiage.
<input type="checkbox"/>	Date of Assignment is on or after the Note date. Assignment contains the property address or legal description.
<input type="checkbox"/>	Assignment contains the date of the Mortgage. The Borrower name(s) on the Assignment must exactly match the Borrower name(s) on the Mortgage.

Allonge – If an allonge is present, verify the following:	
<input type="checkbox"/>	References to Note must accurate; at least 2 references needed. (For example: Borrower names, loan number, Note date, and property address.) If dated, the date is not prior to the Note date.

MERS - Verify the following for all Mortgage Loans if the Assignment chain ends at MERS:	
<input type="checkbox"/>	MIN is present in the Data
<input type="checkbox"/>	If the MIN is not present in the data, an exception will be cited.

CEMA – For all CEMA Mortgage Loans, verify the following items:	
Consolidated Note:	
<input type="checkbox"/>	Must be original
<input type="checkbox"/>	Must be signed by the Borrower(s)
<input type="checkbox"/>	Must be endorsed in blank by the PFI
<input type="checkbox"/>	Must have the proper chain of endorsement
<input type="checkbox"/>	Must contain the “amend and restate” language at the top of the instrument
<input type="checkbox"/>	Must follow all other certification requirements
CEMA:	
<input type="checkbox"/>	The executed and recorded original CEMA, Fannie Mae Form 3172 is present (CEMA can be a certified copy of the original that was sent to the recording office). The dollar amount entered in the first blank in Section I (page 1) of the CEMA and the consolidated principal amount of the Consolidated Note must be the same
<input type="checkbox"/>	If new funds were advanced, number 1 on Exhibit A should refer to both the Gap Mortgage and the Gap Note
<input type="checkbox"/>	The dollar amount entered in the second blank in Section I (page 1) of the CEMA and the dollar amount entered in the corresponding blank on Exhibit A (List of Mortgages, Notes, and Agreements) must be the same.
<input type="checkbox"/>	CEMA must be signed by Borrower(s) and a representative of the Originator.
<input type="checkbox"/>	If the last page of the CEMA contains completed Notary information, it must be signed, and dated.
<input type="checkbox"/>	The Mortgaged Property is in New York

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<input type="checkbox"/>	CEMA must include Exhibits A through D: <ul style="list-style-type: none"> <input type="checkbox"/> Exhibit A (List of Mortgages, Notes, and Assignments) - list of all notes and mortgages being consolidated, extended, and modified. The original notes listed in Exhibit A (the Gap Note and other prior notes and CEMAs) are not required to be held by the Custodian. <input type="checkbox"/> Exhibit B (Property Description (legal description of property) <input type="checkbox"/> Exhibit C (Consolidated Note and Addenda) – must contain the required “amend and restate” language described in the Consolidated Note section above. Exhibit C does not need to show the Borrower(s) signature(s). <input type="checkbox"/> Exhibit D (Consolidated Mortgage and Riders) – the dollar amount entered in the first blank in Section I (page1) of the CEMA and the dollar amount entered in the corresponding blank in Exhibit D must be the same. The copy of the consolidated mortgage does not need to show the Borrower(s) signatures).
<input type="checkbox"/>	Assignment of CEMA should be completed the same as an Assignment of the Note

Power of Attorney - If the Mortgage documents are signed by an individual representing a Borrower under a Power of Attorney (POA), then verify the following items:

<input type="checkbox"/>	POA: POA is present.
<input type="checkbox"/>	POA is original or is a certified copy by the PFI or the originator of the Mortgage Loan.
<input type="checkbox"/>	Notarization: POA is notarized. The date of the POA must be on or before the Note date.
<input type="checkbox"/>	Address: If the address is present on the POA, it must match the Note
<input type="checkbox"/>	POA Permission: If the POA addresses real estate transactions, then verify the POA terms permit the mortgage transactions for which it is attached.

Trust Agreements - If the title to a property is held in a trust, verify the information in the following table and see the examples below for acceptable signature format.

Land Trusts:	
<input type="checkbox"/>	Land Trust Document: There is a true certified copy of the original Land Trust.
<input type="checkbox"/>	Land Trust Title: The title of the Trust, including the Trust number and date (if applicable), must appear below the Trust signature line.
<input type="checkbox"/>	Note Execution: The title of the Trust, including the Trust number and date (if applicable), must appear below the Trust signature line.
<input type="checkbox"/>	Borrower Executing as Individual: The Note must have at least one Borrower executing as individual.
Living (Inter Vivos) Trusts:	
<input type="checkbox"/>	Borrower Executing as Individual: All Borrowers must execute the Note individually (if there are any co-signers, each co-singer must also execute the Note as an individual).
<input type="checkbox"/>	Borrowers Named as Trustee: All Borrowers who are named as Trustee must execute the Note as Trustee.
<input type="checkbox"/>	Trust Name: On the signature page of the Note after the Trustee’s signature, the full name of the Trust must be present and include the date of the trust. (Example provided on page 7)

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EXAMPLES: An individual whose income and assets are used to qualify for a loan and who is named as a Trustee must execute the Note as trustee AND individually. This may be accomplished by either one or two separate signatures (see below).

Example 1: One signature presented – acceptable format

Signature: William Smith

Typed Name: William Smith, individually and as Trustee for the Smith Family Trust under trust instrument dated xxxx

Example 2: Two signatures presented – acceptable format

Signature: William Smith

Typed Name: William Smith

AND:

Signature: William Smith

-OR-

William Smith, Trustee

Typed Name: William Smith, as Trustee for the Smith Family Trust under trust instrument dated xxxx

William Smith, as Trustee for the Smith Family Trust under trust instrument dated xxxx

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