

When a Participating Financial Institution ('PFI') receives a request to repurchase a loan the following steps must be performed:

1. PFI receives a notice of the repurchase request from the MPF[®] Provider
 - The MPF Quality Control team works with the PFI in an attempt to resolve the issues triggering the request by Fannie Mae
 - If a PFI is voluntarily requesting to repurchase an MPF Xtra loan, please reach out to the MPF Quality Control team to commence the process
2. The repurchase amount is determined by the MPF Loan Accounting team, on the 23rd (or business day prior to if the 23rd falls on a weekend or holiday)
3. The repurchase amount is:
 - Outstanding Unpaid Principal Balance (UPB) from Last Pay Installment (LPI)
 - Interest through last day of the month loan is being repurchased
 - Agent fee due back to Fannie Mae
4. Repurchase details are sent via email from MPF Loan Accounting to the PFI outlining the amount due to Fannie Mae which includes the UPB, Net Interest and Agent fee
5. This repurchase amount must be deposited into the PFI's MPF Xtra P&I account at FHLBank Chicago no later than the last day of the month the loan is to be repurchased
6. On the last day of the month, the PFI must liquidate the loan from the MPF Xtra portfolio on their system and move the loan to their internal warehouse/pipeline
7. Interest is due up to but not including the day of repurchase. (Ex: Repurchase email sent on October, 23, 2022 – interest due includes October 30, 2022 but not October 31, 2022 – 30 days)
 - When an actual/actual remittance type mortgage loan is repurchased, Fannie Mae is due interest from the LPI date up to, but not including the repurchase date. A full month of interest will be based on a 360 day year, while a partial month's interest will be based on a 365 day year.

- Note:
 - $(\text{UPB as of LPI X pass - through rate}) / 12 = \text{one month's interest}$
 - $(\text{UPB as of LPI X pass - through rate}) / 365 = \text{one day's interest}$
 - $\text{One month's interest} \times \text{number of full months of interest due (if mortgage loan is delinquent)} = \text{accrued monthly interest due}$
 - $\text{One day's interest} \times \text{number of days of partial month of interest due} = \text{accrued daily interest due}$
 - $\text{Accrued monthly interest due} + \text{accrued daily interest} = \text{total repurchase interest}$
- 8. Computershare will repurchase the loan on behalf of the PFI on the last business day of the month.
- 9. The principal and interest funds will be sent on the first business day of the following month to Fannie Mae and the agent fee premium will be disbursed on the 2nd business day of the month. The funds are swept from the MPF Xtra P&I account at the FHLBank Chicago.

If additional assistance is required contact the MPF Service Center at 877-345-2673 or email the MPF Loan Accounting team at MPFLoanAccounting@fhlbc.com.