

MORTGAGE PARTNERSHIP FINANCE® (MPF®) PROGRAM

Document Custody

After funding a loan under an MPF Traditional product, the Participating Financial Institution (PFI) delivers the collateral file to the Program Custodian. The following steps provide an overview to guide you through getting the required documents delivered for initial and final certification.

The entire MPF Program document delivery process is outlined in the MPF Origination Guide. MPF Guides are available to you on [AllRegs](#). From the MPF Program website - www.fhlbmpf.com, click on [Online Guides](#).

Document Compilation, Preparation, Review and Delivery

STEP 1 – *Compile* the following documents for delivery and place in this order:

1. Original **note** endorsed to the PFI (if applicable), and “in blank” from the PFI
 PAY TO THE ORDER OF
 WITHOUT RECOURSE
 (Name of Originator) _____
 (Signature of Authorized Officer) _____
 (Typed Name and Title of Authorized Officer) _____
2. For servicing retained: The **original unrecorded assignment** of the security instrument “in blank” from the PFI
 For servicing released: A **copy of the assignment** being recorded in the name of the servicer
3. All **recorded intervening assignments** or certified, initialed copies of intervening assignments sent for recording (if applicable)
4. Original/certified, initialed copy of the **power of attorney** (if applicable)
5. Any rider, addendum, modification or assumption that modifies the note (if applicable)
6. Land Trust Agreement (if applicable)

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DOCUMENT CUSTODY

STEP 2 – Prepare a legal-sized pocket manila folder. Identify the following items on a label adhered to the upper right corner on the outside of the folder:

1. **MPF Program**
2. Your **institution's name** (or Colonial Savings if servicing released)
3. Applicable Master Commitment number
4. The **borrower's first and last name**
5. The loan number assigned by the MPF Program (**MPF Loan #**)
6. The loan number assigned by your institution (**PFI Loan #**).

STEP 3 – Order the files accordingly. Collateral files must be sent to the Custodian in **Master Commitment number order**, and within each Master Commitment, if applicable, order by **MPF loan number**.

STEP 4 - Review the **Initial Certification Review Checklist**, (see Section II of *Origination Guide Exhibit K*) to ensure all documents are included and meet MPF Program requirements.

SECTION II:

NOTE

1. Verify that the following items on the Note match the Assignment:

- _____ a. Borrower name (over and under signing is acceptable)
 - Names on Note and Assignment must match exactly (no misspelling between these two documents).
 - If name does not match Loan Funding Report, do not cite Exception. Notify MPF Provider with correction to Loan Funding Report via 'E' File.
- _____ b. Co-Borrower name (over and under signing is acceptable) applicable to MPF Government MBS product only
 - Names on Note and Assignment must match exactly (no misspelling between these two documents).
 - If name does not match Loan Funding Report, do not cite Exception. Notify MPF Provider with correction to Loan Funding Report via 'E' File.
- _____ c. Street address (the unit number must be included in the address, if applicable), city, state, zip code (verify zip, if available)
 - Address on Note and Assignment must match exactly, if provided on the Assignment.
 - If address does not match Loan Funding Report, do not cite Exception. Notify MPF Provider with correction to schedule via 'E' File.
 - Note Date (applicable to MPF Government MBS only)

(Example, not a complete list)

STEP 5 - Deliver documents to the MPF Program Custodian for review, certification and safekeeping via UPS or FedEx within seven (7) calendar days of the date of purchase by FHLBank Topeka.

Always verify the Program Custodian's mailing address located in Origination Guide, chapter 24.

Important - For each Collateral File not received and certified within the applicable time frame, an uncertified loan fee will be assessed each calendar day thereafter until the date of Initial Certification by the MPF Program Custodian or repurchase of the Mortgage. You are responsible for all applicable fees and services charges.

Document Custody Reports

Once you have mailed the Collateral File, please check the **eMPF® website** (www.fhlbmpf.com; click on **eMPF** and then the **Visit the eMPF Website** link) under the **Reports** tab and **Custody Reports** section to monitor the certification process. You will need a user id and password to access the eMPF website.

Some of the custody-related reports shown at the right are available to you only if you retain the servicing rights. If you sell loans under a servicing-released master commitment, contact the MPF Provider for custody-related questions at mpfcustody@fhlbc.com.

Custody Reports

Select a report to view.

▶▶ MPF Bank Custody Reports

- 📄 Custody Exception Correction Fees (ECF) Invoice (CSV)
- 📄 Custody Exception Correction Fees (ECF) Invoice (PDF)
- 📄 Custody Exception Correction Fees Final (ECF) Invoice (CSV)
- 📄 Custody Exception Correction Fees Final (ECF) Invoice (PDF)
- 📄 Custody Uncertified Loan Fees (ULF) Invoice (CSV)
- 📄 Custody Uncertified Loan Fees (ULF) Invoice (PDF)
- 📄 Custody Uncertified Loan Fees Final (ULF) Invoice (CSV)
- 📄 Custody Uncertified Loan Fees Final (ULF) Invoice (PDF)
- 📄 Final Document Exceptions (CSV)
- 📄 Final Document Exceptions (PDF)
- 📄 Initial Document Exceptions (CSV)
- 📄 Initial Document Exceptions (PDF)
- 📄 Loans Funded-Not Reviewed - Final Certification (CSV)
- 📄 Loans Funded-Not Reviewed - Final Certification (PDF)
- 📄 Loans Funded-Not Reviewed - Initial Certification (CSV)
- 📄 Loans Funded-Not Reviewed - Initial Certification (PDF)
- 📄 Outstanding Balance Without Initial Certification (PDF)

Helpful Exhibits Available in the MPF Origination Guide

Exhibit L – Use for Final Certification of all Government Collateral Files

mpf
Mortgage
Program
Facility

Government Mortgage Final Certification Review Checklist

Use this procedure to review for Final Certification of all Government Collateral Files delivered under the Mortgage Servicing Transition Program.

Note: Do not use correction fluid or write on Mortgage documents at any time.

DELIVERY FORMAT

1. Verify that the following items match the Loan Funding Report ('A' File) and are listed on the label on a legal-sized pocket manila folder or, as an alternative to the folder, on the Loan Ownership Certificate (LOC), the FHS Loss Note Guaranty, the Subor Loan Ownership Certificate or on a separate sheet of 8 1/2 x 11 paper affixed to the Mortgage Insurance Certificate (MIC):

- _____ a. MPF loan number
- _____ b. Master Commitment number

2. For documents sent to the MPF Program Custodian, verify that Collateral Files were stamped in Master Commitment number order and date within each Master Commitment, by MPF loan number order.

LOAN GUARANTY / INSURANCE

FHA Loans

3. Verify the following MIC items:

- _____ a. MIC (one of the following)
 - Electronic stamped certified true copy and initialed by FFI, or
 - The Custodian may reverify the accuracy of the schedule data directly with FHA Connection without a print out of this screen.
- _____ b. Endorsement date

4. Verify that the following items on the Loan Funding Report ('A' File) match the MIC:

(Example, not a complete list)

Upon receipt and within 12 months from the date of purchase of a mortgage by FHLBank Topeka, you must submit the original (or electronic) applicable Government Agency mortgage insurance

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certificate or loan guaranty certificate to the Custodian.

The Custodian will review the government loan final document package in accordance with the Government Mortgage Final Certification Review Checklist (*Origination Guide Exhibit L*).

Important -For each mortgage for which final documents are not received and certified within the required time frame, an uncertified loan fee will be assessed to you each calendar day thereafter until the date of final certification or repurchase of the mortgage.

Exhibit H – As you review your custody exception reports, refer to the codes provided in this exhibit: *MPF Program Custodian – Document Codes*.

MPF Program Custodian – Document Codes			
CODE	CLASS DESCRIPTION	DOCUMENT	DOCUMENT DESCRIPTION
AFPD	NAME AFFIDAVIT	Name Affidavit	Reflects that signature of Borrower on Note is correct
ALNG	ALLONGE	Allonge	Attached page to note, used for endorsements
APPL	APPLICATION	Loan Application	
APFR	APPRAISAL	Appraisal	
ASL1	ASSN 1 OF LEASE	Assignment 1 of Lease	The first Assignment in the chain (for lease agreements)
ASL2	ASSN 2 OF LEASE	Assignment 2 of Lease	The second Assignment in the chain
ASL3	ASSN 3 OF LEASE	Assignment 3 of Lease	The third Assignment in the chain
ASL4	ASSN 4 OF LEASE	Assignment 4 of Lease	The fourth Assignment in the chain
ASLV	LEASE INV ASSN	Assignment of Lease to the Investor	Assignment of Lease To the investor from the first tenant in the chain
ASN1	ASSIGNMENT 1	Assignment 1	Assignment to the owner from previous lender
ASN2	ASSIGNMENT 2	Assignment 2	Next Assignment
ASN3	ASSIGNMENT 3	Assignment 3	Next Assignment
ASN4	ASSIGNMENT 4	Assignment 4	Next Assignment
ASN5	ASSIGNMENT 5	Assignment 5	Next Assignment
ASN6	ASSIGNMENT 6	Assignment 6	Next Assignment
ASN7	ASSIGNMENT 7	Assignment 7	Next Assignment
ASN9	ASSIGNMENT 9	Assignment 9	Next Assignment

(Example, not a complete list)

Exhibit I – As you review your custody exception reports, refer to the codes provided in this exhibit: *MPF Program Custodian – Exception Codes*.

MPF Program Custodian – Exception Codes	
Exception #	Exception Name
01	Missing
02	Document in copy; need original
03	Certified copy
01a	Document is an uncertificated copy of an unrecorded document
04	Paper are missing from document
05	Damaged document
06	Incorrect form
07	Date is incorrect
08	Loan number does not agree with schedule
09	Property address does not agree with schedule
09a	Legal description or property address missing
10	Interest rate does not agree with schedule
11	Interest rate (alpha & numeric) do not agree
12	Date of first payment does not agree with schedule
13	Date of last payment does not agree with schedule
14	Loan amount does not agree with schedule
15	Loan amount (alpha and numeric) do not agree
16	Monthly P&I does not agree with schedule
17	P&I (alpha & numeric) do not agree
18	Mortgage name(s) does not agree with schedule
19	Legal description is missing/incorrect

(Example, not a complete list)

Exhibit J – FAQs

Frequently Asked Questions and Answers of the MPF Program Custodian



Following is a list of commonly asked questions and issues pertaining to custody operations when using the MPF Program Custodian:

Correction Schedule Exception Issues

- How long does it take the Custodian to process Correction Schedule Exception ("CSE") Forms?**

The normal turn-around-time for the processing of CSE forms is 1(one) Business Day from the date of receipt by the Certification Staff at the Program Custodian.
- I sent a CSE but the Custodian indicated that I haven't fully explained what needs to be changed. What does this mean?**

When sending a CSE to the Custodian, be sure to state exactly which data is correct. For example, rather than saying, "the Note is correct" the CSE must read, "Michael A. Brown is correct on the Note."
- I sent a CSE to the Custodian only to have it sent back to me without the correction being processed. Why?**

If a CSE was sent back to you without being processed, it is likely that the Custodian could not read the form. If the form is illegible, the Custodian cannot process the correction as per your request. If a form is sent back because it is illegible, the Custodian should so indicate.

Changing Schedule

- What does "changing the schedule" mean?**

"Changing the schedule" refers to giving the Custodian the permission to change the data associated with a particular Mortgage on their computer system. All schedule changes are reported to the MPF Provider daily.

Changing Document Information

- I need to change the Principal and Interest Payment on a Note. How do I do this?**

In order to change information on any loan document, you must complete a Request for Release of Document (Form 56340). The completed form must be forwarded to the Custodian. Once the Custodian receives the form and the request is approved, the entire Collateral File will be forwarded to you. Upon receipt of the Collateral File, you must correct the document in question and have the change initialed by the Borrower. The entire Collateral File will then be sent back to the Custodian who, in turn, will re-certify the Mortgage.

Webinars – Check out our web page (www.fhlbtopeka.com/events) for webinars featuring the MPF Custody process.



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Newsroom - 2014

Newsroom - 2013

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Events Calendar

2015 Webinars

Year:

Month:

Event Type:

Keyword:

Date Range: 11/01/15 - 12/27/15

Event Date	Category	Event Name
12/03/15	MPF Webinars	MPF 101
12/08/15	MPF Webinars	MPF Custody
12/08/15	MPF Webinars	Risk Reward
12/10/15	MPF Webinars	MPF Concurrent Sale of Servicing
12/14/15	MPF Webinars	MPF User's Training
12/15/15	MPF Webinars	Intro to the MPF Xtra Product

LEARN MORE

If you have any questions about this process, please contact us.

MPF SERVICE CENTER

MPFServiceCenter@fhlbc.com

877.463.6673

FHLBANK TOPEKA MPF DEPARTMENT

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For a full list of other helpful guides about the MPF Program, visit our website at www.fhlbtopeka.com/mpf, select **Operational Guides** under **Related Resources**.



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