

PRODUCT & PRICING ENGINE CONSIDERATIONS

Enhance your process when selling to multiple investors

When you sell loans to multiple investors, including under the *Mortgage Partnership Finance® (MPF®) Program*, Product and Pricing Engines (PPEs) provide automation, reduce human error, ensure compliance and enhance profitability.

- Reduce time to price a mortgage loan
- Meet investor guidelines and product eligibilities
- Comply with Qualified Mortgage (QM) and *Consumer Financial Protection Bureau* (CFPB) requirements
- Evaluate the best execution of multiple investors in an automated format

Traditionally, institutions with multiple investors use PPEs for best execution evaluations. Today, QM and CFPB requirements have expanded the use of the pricing engines across all institutions, regardless of origination size. We acknowledge this need and want to provide our Participating Financial Institutions (PFIs) information regarding PPEs.

ADDING MPF PRICING TO YOUR PPE

CREDIT ENHANCEMENT (CE) FEE – When comparing the MPF Program price to other investors, you must incorporate the CE fee for our traditional, conventional products (*MPF Original and MPF 125*) to achieve an accurate comparison. The CE fee is unique to the MPF Program. For sharing in the credit risk you receive additional and on-going income over the life of the loans sold ranging from 7 to 10 basis points against the unpaid principal balance, per annum, paid monthly. PPEs will allow you to add a positive adjustment or margin by MPF product to correctly reflect the value of ongoing CE fees.

COMMITMENT TERM – *MPF Program Portfolio Rate and Fee Schedules* quote delivery commitment locks in calendar days.

MPF Calendar Days
3 to 5
15
30
45
60

SERVICING RELEASED PREMIUM (SRP) – Under the *MPF Program servicing released alternatives*, SRP grids are generated directly from your servicing buyer. These SRP grids are provided to the PPEs, however, please ensure that they have been properly loaded and coded by the PPE vendor.

MPF Product Options	MPF Original; MPF 35; MPF 125; MPF Government	MPF Xtra	MPF Government MBS
<i>Colonial Savings, F.A.</i>	http://fhlb.cbanners.com/		
<i>Prospect Mortgage, LLC</i>		Emailed daily to PFIs and PPEs	
<i>Nationstar Mortgage</i>			Available on eMPF®
<i>Redwood Trust</i>		Available on eMPF®	

INDICATIVE PRICE – The MPF product pricing displayed in all PPEs represent indicative pricing only. However, when price changing occurs on MPF products, the PPEs are updated with the most recent pricing. The pricing and best execution for MPF products are not live prices or executable in your PPE. Log into the *eMPF® website* in order to determine the executable price and complete your *delivery commitment*.

GETTING STARTED

PPE VENDORS – MPF products and pricing are currently available through the following PPE vendors:

Vendor	Contact Email	Contact Phone
<i>Ellie Mae</i>	sales@elliemae.com	888.955.9100
<i>Loan Logics</i>	loanlogicsinfo@loanlogics.com	866.557.6959
<i>LoanScoreCard</i>	sales@LoanScoreCard.com	800.617.0892
<i>Mortech</i>	sales@mortech.com	855.298.9327
<i>Optimal Blue</i>	sales@optimalblue.com	972.781.0200



FOR MORE INFORMATION

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MPF SERVICE CENTER

877.463.6673 | MPFServiceCenter@fhlbc.com

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

ABOUT FHLBANK TOPEKA

- Highly rated financial institution
- Wholly-owned by member financial institutions comprised of commercial banks, thrifts, credit unions and insurance companies
- \$46.5 billion in total assets
- \$2 billion in capital

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