



Federal Home Loan Bank of Indianapolis Mortgage Purchase Program Servicer Accounting Monthly Process (Actual/Actual)

The following outlines the monthly process flow of communication between the MPP servicer and the master servicer (JP Morgan Chase) for the Actual/Actual reporting of FHLBI's Mortgage Purchase Program.

1st Business Day – Processing Cycle Begins

MPP servicers begin sending reports with a month-end cutoff to Chase. For the format of these reports, please consult your MPP representative. *The servicer accounting specialists at Chase process these reports.*

2nd Business Day – New Loan Setup Process

Chase moves all new loans added to MPP from the previous month into the active system.

5th Business Day – Servicer Report Due Date

MPP servicers are required to have the necessary monthly reports to Chase by this day.

1st Business Day through the Cycle Close – Preclose Process

Throughout the processing cycle, Chase can run a preclose on MPP servicers. This preclose process allows for the review of loan level and servicer level information as it would appear if Chase actually closed that servicer for the given cycle. This preclose process allows the servicer accounting specialists to catch potential problems and make necessary changes prior to closing the cycle. Additional precloses can be run until the actual close date.

13th Day of the Month – Actual/Actual Portfolio Close

Chase closes the monthly processing cycle. Once the cycle is closed, no further changes can be made for that servicer-cycle combination.

14th Day of the Month – System Update

Assuming the processing cycle was closed on the 13th, Chase's system will be updated to reflect all new loan level and servicer level information by the morning of the 14th.

14th Day of the Month – NAW and Cash Transaction Reports Available

*Assuming the processing cycle closes on the 13th, Chase's system will generate a notice of automatic withdraw (NAW) report summarizing the amount expected to be remitted by the servicer. The cash transaction report is also available, which provides loan level support for the NAW. NAW information is provided to the MPP servicers and to FHLBI—**this is the amount that will be due on the 18th of the month.***

15th Day of the Month – Servicer Reconciliation Begins

Once the monthly processing cycle has closed and the NAW and cash transaction reports are sent, the servicer reconciliation process begins. In this process, any loan level balance differences are identified and work begins with the appropriate MPP servicer to **resolve the loan level difference.**

18th Day of the Month – Required Payments are Due to FHLBI

On the 18th of the month, the amount specified on the NAW report is transferred out of the participating seller's P&I custodial account at FHLBI.

Electronic Monthly Reporting Fields Required by JP Morgan Chase. For use with FHLBI's Mortgage Purchase Program

Electronic File Requirements:

1. The report must be an Excel file that can be up loaded onto RJA [*] a [O]e ^'s system. (MSWord document files will not be accepted.)
2. The file must contain all the required fields as indicated in the example below.
3. Do not include additional information that is not required.
4. Information must be in the same column and formatted as indicated in the example.
5. Row one should be the header row of titles.
6. Information must be reported one row per loan.
7. All amount columns must be totaled and must agree to the totals on any hard copy reports sent.
8. Electronic file must be received by the 5th business day of the month.

Example of the Electronic Report

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
	Chase Loan #	Servicer Loan #	Beginning Balance	Principal Paid	Interest Paid	Curtailment Date	Payoff Principal	Service Fee	Ending Balance	Amount Drafted	Note Rate	Service Fee Rate	P&I Paid	to Date	Actual Balance
Example	876543	876543	42105.04	153.93	197.37			8.77	41951.11	51.30	5.875	0.250	1.00	1-jul 2009	41951.11
	8765432	8765432	91952.81	340.07	448.92			9.10	1352.71	11.00	5.875	0.250	1.00	1-jul 2009	91352.74
Total			134057.85	494.00	646.29			7.87	41951.11	62.30	5.875	0.250	1.00		41951.11

Explanation of Column Headers

- A Chase Ln # = Chase's loan number
- B Lender Ln # = Servicer's Loan number
- C Beg. Balance = Beginning principal balance of loan
- D Prin. Paid = Actual principal paid by borrower
- E Interest Paid = Actual interest paid by borrower
- F Curt Date = Date Curtailment received
- G Payoff Principle. = Amount of principal payoff received
- H Service Fee = Amount of servicing fee retained
- I Ending Balance = Ending principal balance of loan
- J Amount drafted = Amount of funds drafted for loan activity
- K Note Rate = Current interest rate
- L Service Fee = Current service fee rate
- M P&I = Regular P&I amount
- N Paid to date = Date loan is paid up to
- O Actual Balance = Actual Loan Balance



**Federal Home Loan Bank of Indianapolis
Mortgage Purchase Program
P&I Cash Reconciliation—Actual Actual**

This reconciliation is used to insure that the P&I custodial account is fully funded and that there is not a cash shortage or overage.

As of month end close of business date _____

P&I custodial account (DDA) balance at servicer _____

P&I custodial account (DDA) balance at FHLBI _____

Subtotal _____

+ Deposits in transit—servicer account _____

+ Deposits in transit—FHLBI account _____

= Adjusted P&I custodial account balance **Total A** _____

The P&I custodial account should have the following funds:

+ All principal and interest (less servicing fees) collections _____

+ Principal only payments/curtailments that were collected this month _____

+ Payoff principal and interest collected (less servicing fees) _____

= Total investor remittance **Total B** _____

Total A and Total B above should agree. Differences must be researched and resolved.