



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

The following outlines the monthly process flow of communication between the MPP servicer and the master servicer (JP Morgan Chase) for the Scheduled/Scheduled 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 Ej cug process these reports.*

2nd Business Day – New Loan Setup Process

*****Ej cug 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, Ej cug 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 Ej cug 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 – Scheduled/Scheduled Portfolio Close

Ej cug 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, Ej cug'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, Ej cug'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 CMS 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 JP Morgan Chase'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

July 2009 Cycle

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	
	Chase Ln #	Lender Ln #	Actual PTD	P&I	Sch Int	Sch Prn	Curt	Pre-Paid Curt	Payoff Prn	Payoff Date	End Sch Bal	End Act Prn Bal	Note Rate	Service Fee	
1	Example	800001111	123456	08/01/09	2889.50	2298.04	591.46	1166.14	166.14	0.00		406609.60	406609.60	6.750	0.250
2	PFI Example	800002222	678910	06/01/09	2831.71	1569.14	1262.57	0.00	0.00	280213.00	06/17/09	0.00	0.00	6.750	0.250
3	Total				5721.21	3867.18	1854.03	1166.14	166.14	280213.00		406609.60	406609.60		

Explanation of Column Headers

- A Chase Ln # = Chase loan number
- B Lender Ln # = Servicer's Loan number
- C Actual PTD = Actual paid to date (the month and day of last payment received) The date should be formatted as mm/dd/yy.
- D P&I = Current principal & interest payment
- E Sch Interested = Scheduled interested to be remitted
- F Sch Prin = Scheduled principal to be remitted
- G Curt = Any additional principal received during the month
- H Pre-Paid curtailment = Prepaid curtailment received in current month
- I Payoff Prn = Actual principal balance paid off
- J Payoff Date= Date loan paid off--The date should be formatted as MM/DD/YY.
- K End Sch Bal= Ending scheduled balance
- L End Act Prn Bal= Actual ending principal balance
- M Note Rate = Current interest rate
- N Service Fee = Current service fee rate



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

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	_____
+ Deposits in transit	_____
= Adjusted P&I custodial account balance	Total A _____

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

+ All prepaid principal and interest (less servicing fees)	_____
+ Principal only payments/curtailments that were collected this month	_____
+ Payoff principal and interest collected (less servicing fees) ¹	_____
- All delinquent principal and interest (less servicing fees) ²	_____
=	Total B _____

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

¹ Payoff principle may have to be adjusted if the loan was not paid to the current month when it paid off.

² Enter zero if delinquent P&I is advanced by the servicing system.



**Federal Home Loan Bank of Indianapolis
Mortgage Purchase Program
Scheduled Balance Reconciliation**

This reconciliation is intended to insure that the “Actual” loan balance and the “Scheduled” loan balance are in agreement. This reconciliation can be performed on a loan by loan basis or on the total portfolio.

As of month end close of business date _____

Actual Loan Balances	_____	
+ Prepaid Principal ¹	_____	
- Delinquent Principal ²	_____	
- Scheduled Principal Payment ³	_____	
+ Scheduled Principal Payment on Payoffs ⁴	_____	
= Calculated Scheduled Balance		Total _____
- Reported Scheduled Balance		_____
= Difference		Total _____

¹ Principal portion of payment paid in advance.

² Principal portion of payments remitted to FHLBI, but not received from borrower.

³ Principal portion of the scheduled payment calculated on the current report.

⁴ The scheduled principal payment that would be due if the loan had not paid off.