



# 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.

MPF Calendar Days
5
15
30
45
60

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

**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 125; MPF Government	MPF Xtra
Colonial Savings, F.A.	<a href="http://fhlb.cbankers.com/">http://fhlb.cbankers.com/</a>	N/A
Specialized Loan Servicing	Available on eMPF®	Available on eMPF®

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**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**.

Vendor	Contact Email	Contact Phone
<i>Ellie Mae®</i>	sales@elliemae.com	888.955.9100
<i>LoanScoreCard</i>	sales@LoanScoreCard.com	800.617.0892
<i>Mortech</i>	sales@mortech.com	855.298.9327
<i>Optimal Blue</i>	salesleader@optimalblue.com	972.781.0200
Compass Analytics	sales@compass-analytics.com	415.462.7500
Mortgage Capital Trading, Inc.	pricinggroup@mctrade.net	619.543.5111

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