



Part of the Computershare Group

## Whole Loan Servicing Transfer Manual for MPF Xtra® (Servicing Released Option)

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## Chapter 1 Overview

Under the MPF® Program's MPF Xtra® product, a Participating Financial Institution (Selling PFI) may sell the whole loan including the servicing (Serviced Loan) to the Federal Home Loan Bank of Chicago (MPF Provider). The MPF Provider will then sell the loan asset to Federal National Mortgage Association (FNMA) and the Mortgage Servicing Rights (MSRs) to CMC Funding, Inc. (CMC Funding). CMC Funding has engaged Specialized Loan Servicing (SLS) to subservice the loans on CMC Funding's behalf. In this Manual, "Servicing Released" is used interchangeably with "whole loan" transactions to refer to the Selling PFI's sale of the whole loan including the servicing to the MPF Provider. The Selling PFI will sell the Serviced Loan and transfer the servicing in accordance to the terms of the Participating Financial Institution Agreement ("PFI Agreement") and this manual ("Manual").

The Selling PFI will remain liable for origination representations and warranties and for servicing prior to the Funding Date for the Serviced Loan arising under the PFI Agreement of the Selling PFI.

In order to participate in whole loan transactions, prior to selling Mortgage Loans, the Selling PFI must:

1. Be an approved PFI for selling and servicing under the MPF Guides.
2. Be a member of MERS, or become one, at a minimum of the Residential Lite level. The MPF Bank will help facilitate the Selling PFI's MERS application, if necessary.
3. Execute the MPF Xtra Addendum to MPF Program PFI Agreement and a MPF Xtra Master Commitment for selling loans on a whole loan basis.
  - a. The MPF Bank will provide the following information on the Master Commitment:
    - Servicer: CMC Funding
    - Servicer Number: 6131
    - Remittance: Actual/Actual
4. Provide to the MPF Bank a completed PFI Information Sheet (Exhibit 1).

### 1.1 Organization of the Manual

With respect to the sale of Serviced Loans by a Selling PFI, all provisions of the MPF Guides, the PFI Agreement and this Manual shall apply.

All capitalized terms used but not defined in the Manual shall have the meaning provided in the MPF Guides or the PFI Agreement. All references to "Serviced Loan" in this Manual shall be understood to refer to a Mortgage Loan sold by a Selling PFI and purchased by the MPF Provider as a whole loan transaction.

## Chapter 2 Servicing Released Premium (SRP) / Pricing Schedule

The Servicing Released Premium (SRP) Pricing Schedule is available on the eMPF website under the Pricing tab. The SRP Pricing Schedule represents the price to be paid by the MPF Provider for the Servicing Rights, stated as a percentage of the Unpaid Principal Balance (UPB) of the Serviced Loans on the date the Delivery Commitment (DC) is taken down. The SRP percentage will be applied to the UPB delivered to determine the SRP amount paid to the Selling PFI. The date of funding of a Serviced Loan by the MPF Provider shall be referred to in this Manual as the Funding Date.

1. The SRP Pricing Schedule will be displayed on the eMPF website and shall remain in effect until a new SRP Pricing Schedule becomes effective. CMC Funding and the MPF Provider reserve the right to change pricing at any time.
2. The SRP is live between 8:30 a.m. CST until the FHLB Delivery Commitment deadline at 3:30 p.m. CST. PFIs can only lock the SRP during this time frame.
3. The SRP will be automatically locked at the time of Delivery Commitment.

Changes to the SRP Pricing Schedule will be effective for Delivery Commitments issued on or after the stated effective date on the SRP Pricing Schedule. The Selling PFI is responsible for determining the effective SRP Pricing Schedule in effect on the Delivery Commitment date as it is the only SRP Pricing Schedule that will be honored. The Selling PFI is responsible for checking the eMPF website for updates to the SRP Pricing Schedule may change intraday.

Serviced Loans sold to the MPF Provider with a 10 year term will be subject to an additional adjustment of -30 basis points (-.30) from the 15 year term SRP Pricing Schedule.

## Chapter 3 Mortgage Origination and Purchase

### 3.1 Origination and Underwriting

Serviced Loans must be originated and underwritten by the Selling PFI in accordance with all federal, state and local regulatory requirements, the MPF Guides, the PFI Agreement and this Manual.

Serviced Loans eligible for delivery:

- Conventional Fixed-Rate Mortgages with a minimum term of ten (10) years

Loans with subject property located in the following locations are ineligible:

- New York
- Puerto Rico,
- Virgin Islands,
- Guam or
- Other Location outside the United States.

### 3.2 Closing

Serviced Loans must be closed by the Selling PFI or its agent in accordance with the MPF Guides and this Manual. No "interest credit" due to the borrower from the Selling PFI will be permitted.

### 3.3 Purchase by the MPF Provider

Purchase of the Serviced Loans by the MPF Provider will be completed via the eMPF website. The loan delivery request must be submitted under:

- Mandatory Delivery Commitments – not later than 3:30 P.M. Central Time, no later than two (2) Business Days prior to Delivery Commitment expiration; or
- Best Efforts Delivery Commitments – not later than 3:30 P.M. Central Time, no later than three (3) Business Days prior to Delivery Commitment expiration.

Upon determination that a Serviced Loan can be purchased as presented, the MPF Provider will initiate a credit for the loan asset and SRP minus any fees in the SRP Grid and a debit for the escrow, investor fees and interim interest to the PFI's main account at their MPF Bank. Typically, all transactions will occur on the Business Day following the loan delivery request. The purchase of a Serviced Loan will be confirmed with the Transaction Confirmation and Loan Funding Activity Report delivered to the Selling PFI on the Funding Date. The Selling PFI must sell to the MPF Provider each Serviced Loan to be purchased



under this option no later than thirty (30) calendar days after Closing and with the first payment on the Serviced Loan due to SLS.

**Please Note:** This Servicing Released option requires that Serviced Loans are newly originated. This will ensure that the loan balance is input correctly in the SLS servicing system and the proper amortization schedule will be applied. For loans with payments applied, please contact your MPF Bank representative for further instructions.

### 3.4 Servicing Transfer

The Selling PFI shall provide a Notice of Servicing Transfer (Exhibit 2) or a substantially similar form to the Borrower at Closing or at such time as may be required by RESPA and other Applicable Laws and regulations. The Selling PFI represents and warrants that all servicing transfer notices provided to the borrower shall:

- Include an accurate effective servicing transfer date;
- Include accurate and complete contact information for SLS; and the,
- Comply with all Applicable Laws.

Prior to the transfer of servicing of the Serviced Loan, the PFI will service the Serviced Loan in accordance with the MPF Guides. The first payment due date for each Serviced Loan must be the first day of the month following the first full month after the Closing.

## Chapter 4 Document Custody

### 4.1 MPF Program Custodian

The MPF Program Custodian must be the Custodian for all Serviced Loans under this option. The Selling PFI is required to deliver Collateral Files to the MPF Program Custodian (see contact information provided in MPF Guides) in accordance with the timeframes and requirements of the MPF Xtra Guides, and to obtain the approval of the MPF Program Custodian that documents are in proper form and are properly executed. The Collateral File, which is sent to the MPF Program Custodian, must contain original documents or certified copies of originals, as required in the MPF Guides.

### 4.2 Collateral File Label

The Collateral File for each Serviced Loan delivered to the MPF Program Custodian must be labeled as required by MPF Guides.

### 4.3 Endorsements and Assignments

#### 4.3.1 Endorsements

The Selling PFI must provide to the MPF Program Custodian a Note endorsement without recourse to the "Federal Home Loan Bank of Chicago." An allonge to the Note may be used for the endorsement if the following conditions are met:

- If the allonge is dated, the endorsement must be dated on or after the Note date;
- The allonge must be permanently affixed to the Note;
- The allonge must identify the associated Note by referencing:
  - The Note date;
  - The Borrower(s) name(s) as they appear on the Note;
  - The Note amount; and
  - The Mortgage Property Address as it appears on the Note.
- The form of the allonge, and its use, must comply with all Applicable Laws; and
- The use of the allonge must not impair the MPF Provider's or any other investors' status as a "holder in due course."

#### 4.3.2 Assignments

The Selling PFI must be a member of MERS, able to register and transfer loans through MERS.

If the Serviced Loan reflects MERS as the Original Mortgagee (a MOM loan), a certified copy of the Security Instrument showing MERS as the original mortgagee

must be delivered to the Custodian. For additional detail, see the MPF Guides.

If the Serviced Loan is *not* a MOM loan, a recorded assignment with an assigned Mortgage Identification Number (MIN) naming MERS as the nominee will be required. A copy of the assignment must be included in the collateral file and Mortgage Loan File.

The PFI is required to use the formal endorsement used to name MERS as follows:

Mortgage Electronic Registration Systems, Inc.  
P.O. Box 2026  
Flint, Michigan 48501-2026

The 18-digit MIN number and MERS Phone number (1-888-679-6377) are to be placed on the assignment in a visible location, but not in a space reserved for the jurisdiction's recorder per jurisdictional requirements.

For states requiring a physical address, use the following MERS address in addition to P.O. Box address:

1901 E Voorhees Street, Suite C,  
Danville, IL 61834.

If the state of incorporation for MERS is required, please note that MERS is organized and existing under the laws of Delaware, not Virginia.

**IMPORTANT**

Within five (5) days of the servicing transfer date to CMC Funding, the Selling PFI must update MERS on-line with the following Servicer information:

Servicer (TOS Batch)	CMC Funding Inc MERS OrgID number 1000900  Subservicer MERS OrgID 1003225 (SLS)
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The Selling PFI is required to populate both the Servicer and the subservicer fields in MERS. For any questions regarding the servicing transfer MERS instructions, email CMC Funding at [LoanServicing@cmcfunding.com](mailto:LoanServicing@cmcfunding.com) or call 855-722-2136.

The Selling PFI Represents, Warrants and Covenants the following to the MPF Provider as to each Serviced Loan offered for sale:

1. The Selling PFI has timely recorded the Mortgage/Deed of Trust to protect the MPF Provider's interests;
2. The Selling PFI has registered the Serviced Loan with MERS as the named nominee within 5 calendar days after the Funding Date;

3. The Selling PFI can validate that the Serviced Loan has been transferred free and clear of any pledge, lien, encumbrance or security interest; and
4. The Selling PFI will not name/transfer servicing rights in MERS to any person or entity other than CMC Funding.

#### **4.4 Certification with the MPF Program Custodian**

The Selling PFI is responsible for the Initial Certification of the Collateral Files, resolving Initial Certification issues with the MPF Program Custodian, and payment of all fees imposed for uncertified documents or custodial Initial Certification Exceptions (see the MPF Guides). All Serviced Loans that do not meet the Initial Certification requirements must be repurchased in accordance with MPF Guides and this Manual. For all repurchased loans, CMC Funding shall be entitled to a refund of the SRP in accordance with Chapter 7 of this Manual. The refund of the SRP will be made by the Selling PFI to the MPF Provider.

#### **4.5 Document Access – Selling PFI**

The Selling PFI may request and obtain the Collateral File from the MPF Program Custodian in order to correct Initial Certification Exceptions up until the point of Initial Certification. After Initial Certification, the Selling PFI may not request the Collateral File from the MPF Program Custodian.

The Selling PFI must follow prudent business practices in protecting and safeguarding all documents released to it by the MPF Program Custodian until these documents are returned to the MPF Program Custodian, as required by the MPF Guides.

## Chapter 5 Servicing Provisions

### 5.1 Mortgage Loan File Delivery Time Frame and Stacking Order

The Selling PFI must upload the Mortgage Loan File containing images of the documents listed in the Mortgage Loan File Checklist (Exhibit 3) for each Serviced Loan. Within seven (7) calendar days after the Funding Date, the Selling PFI must upload the Mortgage Loan File containing images of the documents listed in the Mortgage Loan File Checklist (Exhibit 3) for each Serviced Loan. The Mortgage Loan File is to be delivered utilizing the eMPF Website via the PFI Document Upload Utility. The uploaded Mortgage Loan File will be automatically transferred to CMC Funding for review and CMC Funding will provide appropriate documents to its subservicer SLS.

The Mortgage Loan File delivered electronically through the eMPF Website must be a .pdf. All documents should be saved into one file when creating the Mortgage Loan File. The PFI Document Upload tab can be found under the Upload header of the eMPF Website. Select "Servicing Transfer" from the Document Category menu. Select the applicable Serviced Loan. Under the "Mortgage Loan File Doc" browser, browse for the Mortgage Loan File. Once the Mortgage Loan File has been selected click the submit button for document submission. When the Mortgage Loan File has been successfully uploaded the current date will appear under the Servicing Doc column.

### 5.2 Review and Acceptance of the Mortgage Loan File

CMC Funding will review each Mortgage Loan File upon receipt from the Selling PFI in order to:

- Determine that all required data/documents have been provided; and
- Review that the Mortgage Loan Files and the Serviced Loan comply with the terms of this Manual.

If CMC Funding determines that the Mortgage Loan Files for the related Serviced Loan is not in compliance the deficiencies will be cured as follows:

1. CMC Funding will issue a notification, via email, identifying deficiencies that will need to be addressed. If the deficiencies are determined by CMC Funding to be critical, the Selling PFI will have one (1) Business Day to correct the deficiencies. If the deficiencies are not critical the Selling PFI will have seven (7) Business Days to address the deficiencies. If a deficiency notification is due to missing documents the Selling PFI is to provide the identified missing documents through the PFI Document Upload Utility as instructed in section 5.1.
2. If the Selling PFI fails to cure the Mortgage Loan File deficiencies before the timeframe stated in the notice, CMC Funding will attempt to cure the deficiencies. If CMC

Funding or the MPF Provider incurs any cost while curing the deficiencies, the Selling PFI will be billed for such cost.

3. If CMC Funding is unable to cure the deficiencies in a reasonable time frame, CMC Funding will contact the Selling PFI to promptly cure the deficiencies.
4. In the unlikely event that the Selling PFI fails to respond and cure the deficiencies after the procedure described above, CMC Funding will self-report the loan to FNMA. If upon FNMA's review a repurchase demand is issued, the MPF Provider will notify the Selling PFI of the request to repurchase the whole loan or the MSRs.

If corrections to the information in the loan level data are necessary, the Selling PFI must contact the MPF Provider regarding the corrections. Once the corrections are made, the MPF Provider will provide CMC Funding with the data corrections. CMC Funding will then make the correction to CMC Funding's systems. The MPF Provider may be required to reverse the funding of the Serviced Loan that has been sold in order to correct the loan data. This will result in a new Transaction Confirmation and Loan Funding Activity Report for the Serviced Loan. If the correction affects the SRP, the adjustment to the SRP will be made by the Selling PFI to the MPF Provider or from the MPF Provider to the Selling PFI, if applicable. The MPF Provider will reverse the funding of the Serviced Loan that had been sold in order to correct the SRP Price paid for the Serviced Loan. The MPF Provider will send notification of the SRP refund to the Selling PFI.

### 5.3 Recorded/Final Documents

Within ninety (90) calendar days after the Funding Date, the Selling PFI must deliver the documents listed in Exhibit 4 (Recorded/Final Documents Checklist) to Wells Fargo (see Exhibit 5 for address details).

In addition to the delivery of the original documents to Wells Fargo, the Selling PFI must also upload copies of the documents identified in Exhibit 4 to the MPF Provider through the PFI Document Upload Utility. Documents delivered electronically through the eMPF Website must be in a .pdf. All documents should be saved into one file for the Recorded/Final Documents.

The PFI Document Upload functionality can be found under the Upload header of the eMPF Website. Select "Servicing Transfer" from the Document Category menu. Select the applicable Serviced Loan. Under the "Final Doc Upload" browser, browse for the Recorded/Final Documents. Once the Recorded/Final Documents have been selected, click the submit button for document submission. When the Recorded/Final Documents have been successfully uploaded the current date will appear under the Final Doc column.

CMC Funding will monitor receipt of the original recorded/final documents and will notify the Selling PFI when documents have not been received within ninety (90) calendar days

of the Funding Date. It is the Selling PFI's responsibility to ensure that the information on the Recorded/Final documents (trailing documents) are correct before delivery.

Any questions related to the above may be directed to CMC Funding's Document Control team at [Shipping@cmcfunding.com](mailto:Shipping@cmcfunding.com).

## 5.4 Other Fees

The following fees will be netted from the SRP due to the Selling PFI for the Serviced Loans:

- Tax Service Fee..... \$85
- Loan Boarding Fee..... \$150

## 5.5 Escrow Funds

The total escrow amount identified on the Additional Information File will be debited from the Selling PFI's main account at their MPF Bank concurrent with the purchase of the whole loan. The Transaction Confirmation and Loan Funding Activity Report delivered to the Selling PFI will include the Escrow Funds netted against the whole loan funding.

Documents in the Mortgage Loan File should indicate whether an Escrow Account has been established for the Serviced Loan.

### 5.5.1 Escrow Accounts

When an Escrow Account is established at Closing for taxes and insurance (hazard and flood), it is required that escrows are calculated using the maximum cushion permitted in the Serviced Loan documents, or by Applicable Law, whichever is lower. If a lesser amount is escrowed, the borrower may experience an increase in monthly payment shortly after the transfer date.

### 5.5.2 Escrow Waiver

If escrows are waived, Selling PFIs shall include a signed escrow waiver notice at Closing in the Mortgage Loan File.

## 5.6 Taxes

The Selling PFI must provide a complete and accurate Tax Information Sheet (Exhibit 6), or its equivalent, with the Mortgage Loan File for each Serviced Loan, regardless of whether or not an Escrow Account is established for the loan. This information is required in order to monitor payment of taxes during Servicing. The Selling PFI is responsible for providing accurate Tax Identification Numbers of the subject property of the Serviced Loan. The Selling PFI must ensure that all delinquent taxes, taxes currently due or related tax amounts due within sixty (60) days before or after the Funding Date are paid. This includes but is not limited to, base tax amounts, penalties, interest, etc.

Please forward all original tax bills to the address in Exhibit 5 under tax bills received by the Selling PFI.

The Selling PFI must make every effort to accurately determine the amount of taxes on the property, including contacting the appropriate taxing authority, if necessary.

If a Serviced Loan is secured by new construction, or is an existing property where “improvements” to the property have been completed, taxes made available by the taxing authority may be under assessed. The Selling PFI make its best effort to estimate the projected taxes.

### **5.6.1 IRS Posting**

The Selling PFI must file the necessary forms required by Applicable Law with the IRS for transactions that occurred on the closing disclosure, and provide the Borrower with a 1098 as necessary.

## **5.7 Hazard and Flood Insurance**

### **5.7.1 Hazard Insurance**

Every Serviced Loan must have a hazard policy insuring the Mortgaged Property. The Selling PFI must notify the borrower’s insurance carrier to change the mortgagee clause as in the form of Exhibit 7. This mortgagee clause change notification must be sent to the insurance carrier no later than fifteen (15) days prior to the Funding Date, including for master policies for condominiums and other PUDs.

The Mortgage Loan File should include evidence of hazard insurance, with a mortgagee clause to SLS. If an insurance policy is not in the name of SLS, the Selling PFI may provide a letter requesting endorsement of the mortgagee clause in the form of Exhibit 7 – Hazard Insurance Notification.

The Selling PFI is responsible for paying all insurance premiums due within sixty (60) days after the Funding Date.

The Selling PFI is responsible for any loss incurred as the result of a casualty loss where the loss occurs prior to or on the Funding Date of the Serviced Loan, if such loss is the result of the expiration of any insurance policies prior to the Funding Date of the serviced loan, or is due to the insufficiency (in accordance with the MPF Guides) of any such insurance coverage. Further, if any insurance coverage is insufficient in accordance with the MPF Guides, the costs incurred for providing such insurance are secured by the Serviced Loan and payable by the borrower under the Serviced Loan. In the event there is no evidence of insurance coverage on any Serviced Loan as of the Funding Date for such Serviced Loan, evidence of insurance coverage shall be provided within five (5) Business Days of written request by the MPF Provider. If evidence is not obtained, the Selling PFI will be



responsible for reimbursing CMC Funding for the cost of obtaining the necessary insurance coverage to the extent such costs are not otherwise due, collectible and payable by the borrower under the Serviced Loan.

### **5.7.2 Flood Insurance**

If a property is located in a special flood hazard zone, the borrower must obtain flood insurance coverage. Evidence of flood insurance should be included in the Mortgage Loan File, with a mortgagee clause to SLS. If an insurance policy is not in the name of SLS, the Selling PFI may provide a letter requesting endorsement of the mortgagee clause in the form of Exhibit 8.

The Selling PFI is responsible for paying all insurance premiums due within sixty (60) days after the Funding Date.

### **5.7.3 Flood Zone Determination Certificate**

The Selling PFI shall supply CMC Funding with the flood determinations provided by a provider acceptable to CMC Funding for all Serviced Loans. If the Selling PFI does not deliver such flood determinations, the Selling PFI will be charged a fee. The Selling PFI shall pay all costs associated with transferring such flood determinations to CMC Funding. The Selling PFI must notify the flood determination company of the change of servicer information as stated in Exhibit 5.

## **5.8 Private Mortgage Insurance (PMI)**

For any Serviced Loan requiring Private Mortgage Insurance (PMI), the Selling PFI must make required insurance disbursements on loans prior to the servicing transfer date. Notification of change of servicer must be sent to the PMI carrier no later than fifteen (15) calendar days prior to the effective service transfer date in the form of Exhibit 9.

## **5.9 Supplemental Information**

Prior to and after the Funding Date for a Serviced Loan, the Selling PFI will at its own expense:

- Furnish promptly to the MPF Provider any supplementary information related to the Serviced Loan which CMC Funding or the MPF Provider reasonably requests and which is reasonably available to the Selling PFI; and
- Render reasonable assistance to CMC Funding to enable CMC Funding to efficiently take over and service the Serviced Loan.

## Chapter 6 Other Selling PFI Responsibilities

### 6.1 Regulatory Requirements

The Selling PFI will be responsible for compliance with all regulatory requirements related to the origination and closing of the Serviced Loans and the transfer of the servicing for the Serviced Loans.

### 6.2 MPF Quality Control

The Serviced Loans will be included in the MPF Program quality control review sample population for the Selling PFI in accordance with the MPF Guides. The MPF Provider will reference documents from the Mortgage Loan File provided by the Selling PFI. If the necessary documents for MPF Program quality control are not in the Mortgage Loan File, the MPF Provider will work with the Selling PFI to obtain requested documentation. Quality Control findings, with respect to the Serviced Loans, will be provided to the Selling PFI. Quality Control findings may be provided to CMC Funding.

### 6.3 Selling PFI Quality Control

The Selling PFI is responsible for conducting in-house quality control reviews in accordance with the MPF Guides.

## Chapter 7 Defects and Remedies

The MPF Provider will work directly with the Selling PFI to resolve origination and funding issues. In the event an issue cannot be resolved, the MPF Provider will act as arbitrator to resolve the issue, and the decision of the MPF Provider will be controlling.

The MPF Provider will work directly with the Selling PFI in the event of a repurchase request to assist in the transfer of servicing back to the PFI along with the refund of the SRP Payment and Escrow Funds. In the event FNMA retains the loan, the MPF Provider will work directly with the Selling PFI to transfer the Escrow Funds and servicing to a FNMA approved servicer along with the refund of the SRP Payment.

### 7.1 Notice of Defects or Deficiency

Notification will be sent to the Selling PFI by the MPF Provider if a Serviced Loan is defective or deficient according to the MPF Guides, constitute of breach of the Selling PFI's representation and warranties, or limits CMC Funding's ability to properly service the Serviced Loan. Upon receipt of notification of a Serviced Loan defect or deficiency, the Selling PFI shall cure the defect or deficiency within the time period specified in the notice.

### 7.2 Curable Defects

The Selling PFI shall cure the defect or deficiency within the time period specified in the notice. In the event the Selling PFI fails to cure the defect or deficiency or if a Serviced Loan fails to comply with applicable requirements at the time of delivery to CMC Funding and the noncompliance or defect remains, CMC Funding will take appropriate action to remedy the deficiency at the expense of the Selling PFI. Upon notice, CMC Funding will bill the Selling PFI and collect all expenses directly from the Selling PFI.

### 7.3 Repurchase of Serviced Loans and Loan Servicing Rights

#### 7.3.1 Agency Repurchase

Without limiting any other remedies available under this Manual, if there is a repurchase required by FNMA, the MPF Provider will notify the Selling PFI. The Selling PFI will have 10 days to respond to the FNMA repurchase request or as otherwise determined by FNMA. The MPF Provider will notify the Selling PFI of FNMA's final decision. In the event the rebuttal is denied, the MPF Provider will notify the Selling PFI of the sum of funds owed which include the Serviced Loan repurchase price and related SRP repurchase price in the amount of the original SRP paid plus any accrued and unpaid servicing fees at the time of repurchase. The funds are to be placed in the PFI's main account with their MPF Bank two (2)

business day prior to the repurchase date required by FNMA. If CMC Funding, the MPF Provider or the Selling PFI's MPF Bank has any actual and reasonable out-of-pocket costs or expenses in their attempt to cure, dispute or appeal the repurchase demand, the Selling PFI will be responsible for reimbursing such expenses. Upon notice, the MPF Bank will bill the Selling PFI and collect all expenses directly from the Selling PFI.

### **7.3.2 Incurable Defects**

If CMC Funding and the Selling PFI are unable to resolve material issues related to file delivery and loan boarding within the time frame specified in the notice, the Selling PFI may be required to repurchase the Serviced Loan from the MPF Provider in accordance with MPF Guides and subject to the approval of FNMA. The Selling PFI is required to repurchase the Serviced Loan or provide an alternative remedy within ten (10) Business Days following the receipt for the repurchase request from the MPF Provider.

In the event the Selling PFI is required to repurchase a Serviced Loan or if the Selling PFI is otherwise required to pay the SRP refund, the Selling PFI will be required to pay to the MPF Provider the SRP refund for the Serviced Loan by placing funds into the Selling PFI's main account with their MPF Bank.

## **7.4 Early Payment Default**

If any of the first four (4) payments due on a Serviced Loan becomes ninety (90) days or more delinquent, the Selling PFI must, upon receipt of demand, reimburse the SRP to the MPF Provider.

## **7.5 Early Payoff**

If a Serviced Loan pays off (or otherwise liquidates) within one hundred twenty (120) calendar days after the Funding Date, the Selling PFI may be required to refund the SRP.

## **7.6 Transfer of Servicing and Escrows**

In the event of a repurchase, CMC Funding will work with the Selling PFI to establish the effective date for the servicing transfer so that applicable Notice of Servicing Transfer is provided to the Borrower as required by Applicable Law, including RESPA .

Upon completion of the repurchase by the Selling PFI, the Selling PFI will receive all the servicing records and documents relating to such repurchased Serviced Loan within seven (7) calendar days before the transfer date.

## Chapter 8 Servicing

### 8.1 General Servicing

CMC Funding will utilize SLS to subservice the Serviced Loans in accordance with FNMA Guides.

### 8.2 SLS Customer Servicer

Borrower inquiries should be directed to CMC Funding's subservicer SLS's customer service department as shown in the Important Addresses & Instructions (Exhibit 5).

### 8.3 Monthly Statement Payment Processing

Processing and application of borrower payments will be managed by CMC Funding's subservicer (SLS). Borrower payments and other funds related to the Serviced Loan which are received by a Selling PFI must be endorsed to the order of SLS without offset or deductions. Such funds shall be sent to SLS by overnight mail to the address shown in the Important Addresses & Instructions (Exhibit 5). Payments will be processed in accordance with applicable law.

Payments sent directly to SLS by the Borrower should be directed to the address designated in the Important Addresses & Instructions (Exhibit 5).

### 8.4 Escrow Account Management

Following the effective servicing transfer date, the payment of applicable insurance and property taxes, as well as the Borrower's Escrow Payment analysis, will be managed by SLS on behalf of CMC Funding. Insurance correspondence and tax bills which are received by a Selling PFI after the effective servicing transfer of a Serviced Loan must be forwarded by overnight mail to SLS the address shown in the CMC Funding Contact Information (Exhibit 5).

### 8.5 No Solicitation or Refinancing

CMC Funding will not take any action or permit or cause any action to be taken by any of its agents or affiliates, or by any independent contractors or subservicers (including SLS) on CMC Funding's behalf, to personally, by telephone, mail or electronic communication or otherwise, solicit the Borrower under any Mortgage Loan for the purpose of (i) refinancing, in whole or in part any Mortgage Loan (other than in connection with a loss mitigation action), or (ii) offering to such Borrower any consumer financial product or service, without the prior written consent of the MPF Provider. During the Servicing of each Mortgage Loan, CMC Funding hereby agrees that it will not solicit a Borrower under any Mortgage Loan to modify the Mortgage Loan, unless such solicitation for loan

modification is in accordance with the MPF Guides. CMC Funding promotions directed to the general public at large are permissible. CMC Funding may serve the refinancing needs of a Borrower who without solicitation contacts CMC Funding

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**Exhibit 1. Selling PFI Information Sheet – MPF Xtra<sup>®</sup> Product**

Complete and return as instructed in Chapter 1 of this Manual.

Selling PFI Information			
Selling PFI Name:			
Selling PFI Number:			
Street / Overnight Delivery Address:			
City, State, and Zip Code:			
Mailing Address (if different from above):			
City, State and Zip Code:			
Selling PFI Toll-Free Telephone Number:			
Selling PFI Main Telephone Number:			
Selling PFI Borrower Correspondence Address (If different from above):			
City, State, and Zip Code			
Selling PFI Contact Names	Name	Telephone	Email
Primary Contact:			
Secondary Contact:			
Mortgage Loan File Delivery Contact:			
Funding Contact:*			

\* The person who should be made aware of items such as SRP payments / refunds and debits / credits to the PFI’s account with the MPF Provider.



**Exhibit 2 Notice of Servicing Transfer**

DATE

Name 1, Name 2

Mailing Address City, State, Zip

Re: PFI Loan #: xxxxxx-x

Property Address: Property address, City, State and Zip

Dear Customer:

The servicing of your mortgage loan, that is, the right to collect payments from you, is being assigned, sold or transferred from (Current Servicer) to CMC Funding, Inc., c/o Specialized Loan Servicing LLC ("SLS") effective [transfer date]. SLS is responsible for such things as paying your property taxes, homeowners insurance, issuing billing statements and preparing year-end statements.

**Notice of Assignment, Sale, or Transfer of Servicing Rights**

The transfer of the servicing of your mortgage loan does not affect any term or condition of the mortgage instruments, other than directly related to the servicing of your loan. Except in limited circumstances, the law requires that your present servicer send you this notice at least 15 days before the effective date of transfer, or at Closing.

**Your Present Servicer**

Your present servicer is (Current Servicer). If you have any questions relating to the transfer of servicing from

(Current Servicer), call Customer Service, toll-free, at (phone number) between (List hours of operations and which days of the week opened)

**Your New Servicer Contact and Payment Remittance Address**

Your new servicer will be CMC Funding, Inc. c/o SLS. The address to send correspondence is: 6200 S. Quebec St., Greenwood Village, CO 80111. The address to send payments is: P.O. Box 60535, City of Industry, CA 91716-0535. The toll-free telephone number is 1-866-391-3070. If you have any questions relating to the transfer of servicing to your new servicer, call Customer Service, toll-free at 1-866-391-3070, Monday through Friday from 8:00 a.m. to 8:00 p.m., Eastern Time. Please write your new loan number on all checks and correspondence and have your number available when you call.

**Information Concerning Your Payments**

Your present servicer (Current Servicer) will stop accepting a payment from you after [one day before effective date]. The date that your new servicer, CMC Funding Inc., c/o SLS, will start accepting payments from you is [effective date]. Mail all payments on or after that date to the provided address. CMC Funding, Inc. c/o SLS will send you new billing statements. If you have a payment due before you receive your new billing statement, write your current [loan number] on your check and mail it to the payment address shown above. Please note that your account information is subject to change to reflect disbursements that is made by and payments that are due to, (Current Servicer).

If you currently have your mortgage payment automatically paid from your bank account this service may not continue after the time of transfer. Upon your loan file being received and then serviced at CMC Funding, Inc. c/o SLS, you may then access on-line their automatic draft option. Until your automatic payments are established, please continue to mail your payments to the address shown above.

The transfer of servicing rights may affect the terms of or the continued availability of mortgage life, disability, accidental death insurance or any other type of optional insurance in the following manner. If you currently have optional insurance. We will not continue to bill you for the same premium. Please contact your insurance carrier to make payment arrangements.

It has been a pleasure for (Current Servicer) to have serviced your account.

CMC Funding, Inc. c/o SLS looks forward to providing you with prompt and professional service throughout the life of your mortgage.

Very truly yours,

(Current Servicer)

**Exhibit 3 Mortgage Loan File Checklist**

Borrower Name	
PFI Loan ID Number	
MPF Loan Number	

The Selling PFI must send all required original custodial documents to the MPF Program Custodian at the address show in MPF Guide.

The Selling PFI should upload following documents in the order listed below through the PFI Document Upload Utility on the eMPF website. See Sections 5.1 and 5.2 of this manual for delivery time frame and Mortgage Loan File transfer requirements.

- 1. Mortgage Loan File Checklist (Exhibit 3) with enclosed items checked
- 2. Notice of Transfer of Servicing (Exhibit 2)
- 3. Initial Aggregate Escrow Statement or Escrow Waiver
- 4. Security Instrument: Mortgage / Deed of Trust
- 5. Assignment from Selling PFI to MERS, if applicable
- 6. Loan Application
- 7. All Loan Estimates
- 8. Service Providers List
- 9. Note with all riders and addenda
- 10. All Closing Disclosures
- 11. Mortgage Insurance (MI) Certificate (if applicable) and notice letter to MI company that servicing has been transferred to CMC Funding
- 12. Hazard insurance policy with mortgagee clause to SLS; or if not in SLS's name, a Hazard Insurance Notification (Exhibit 7), as required by section 5.7.1 of this manual
- 13. Flood zone determination certificate with Life of Loan coverage with coverage to CMC Funding; or if not in SLS's name, a Flood Insurance Notification (Exhibit 8), as required by Section 5.7.2 of this manual
- 14. Flood insurance policy (if applicable) with mortgagee clause to SLS; or if not in SLS's name, a Flood Insurance Notification (Exhibit 8), as required by Section 5.7.2 of the manual
- 15. Tax Information Sheet (Exhibit 6), or its equivalent, as required by Section 5.6 of this manual
- 16. Appraisal
- 17. Title policy / commitment
- 18. Form W9
- 19. Underwriting file (including documents required by MPF Guide)
- 20. Buydown Agreement and Buydown Plans
- 21. Tax sheets in accordance to Wisconsin requirements
- 22. Notice of Right to Cancel (Right of Rescission)

Prepared by: \_\_\_\_\_

Date:

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Telephone:

---

Email Address:

---

**Exhibit 4 Record/Final Documents Checklist**

<b>Borrower Name</b>	
<b>PFI Loan ID Number</b>	
<b>MPF Loan Number</b>	

The Selling PFI must send all required original recorded / final documents, using this checklist, directly to the Wells Fargo at the address shown in Important Addresses and Instructions (Exhibit 5). Copies of the documents listed below must also be uploaded to the MPF Provider through Document Upload functionality on the eMPF Website (see section 5.3).

See Section 5.3 for delivery time frame and file packaging requirements. See Important Address & Instructions (Exhibit 5) for shipping address.

Check documents that are attached to this checklist:

- 1. Recorded Security Instrument: Mortgage / Deed of Trust.
- 2. Final title policy and endorsements or final title opinion.
- 3. Recorded Intervening Assignments, if applicable.
- 4. Recorded Assignment from Selling PFI to MERS, if applicable.
- 5. Recorded Power of Attorney (if recording is required).

Prepared by \_\_\_\_\_ Date \_\_\_\_\_

Telephone \_\_\_\_\_

Email Address \_\_\_\_\_

**Exhibit 5 Important Addresses & Instructions**

<b>NOTE: BORROWERS SHOULD BE GIVEN ONLY THIS INFORMATION</b>	
Borrower Customer Service Inquiries	866-391-3070
Payment Address	CMC Funding, Inc. PO Box 60535 City of Industry, CA 91716-0535
Overnight Delivery	CMC Funding, Inc. 6200 S. Quebec St. Greenwood Village, CO 80111 Attn: Cashiering Department
<b>FOR SELLING PFI USE ONLY:</b>	
Primary Contact	Kyle Lybrand Manager, Client Services 904-404-3554 <a href="mailto:Klybrand@cmcfunding.com">Klybrand@cmcfunding.com</a>
Alternate Contact	Richard Dybel National Sales Manager 904-543-0052 <a href="mailto:Rdybel@capmks.org">Rdybel@capmks.org</a>
Account Management	<a href="mailto:SellerHelp@cmcfunding.com">SellerHelp@cmcfunding.com</a>  855-722-2136 (ask for Account Management)
Original Recorded/Final Documents	Wells Fargo Document Custody Attn: CMCC loans 751 Kasota Ave Minneapolis, MN 55414
Curtailement Checks: Provide SLS loan number on the check and indicate it is for a principal curtailement.  SLS loan numbers are provided via email by CMC Funding Client Services the day after funding with FHLB.	CMC Funding, Inc. 6200 S. Quebec St. Greenwood Village, CO 80111 Attn: Cashiering Department

<p>Additionally, prior to overnight mailing, please notify CMC Funding a payment or curtailment is being sent by emailing <a href="mailto:loanservicing@cmcfunding.com">loanservicing@cmcfunding.com</a>. Please include the PFI Loan# and Borrower Name in the body of the email or in a spreadsheet if multiple loans are being sent.</p>	
<p>Borrower Payments received by the Selling PFI: Provide SLS loan number on the check and indicate it is for a payment.</p> <p>SLS loan numbers are provided via email by CMC Funding Client Services the day after funding with FHLB.</p> <p>Additionally, prior to overnight mailing, please notify CMC Funding a payment or curtailment is being sent by emailing <a href="mailto:loanservicing@cmcfunding.com">loanservicing@cmcfunding.com</a>. Please include the PFI Loan# and Borrower Name in the body of the email or in a spreadsheet if multiple loans are being sent.</p>	<p>CMC Funding, Inc. 6200 S. Quebec St. Greenwood Village, CO 80111 Attn: Cashiering Department</p>
<p>SLS Wiring Instructions for Post-Transfer Payments (payments, additional escrow, funds, principal curtailments)</p> <p>Backup notification and spreadsheet must be completed and attached to the email. Spreadsheet must contain the following information:</p> <ul style="list-style-type: none"> <li>SLSloan number</li> <li>Borrower first and last name</li> <li>Amount</li> <li>Description of payment</li> </ul>	<p>Swift Number: WFBIUS6S</p> <p>Bank Name: Wells Fargo</p> <p>Bank Address: 420 Montgomery Street San Francisco, CA 94104</p> <p>Account Number: 2000042928232</p> <p>Bank ABA#: 121000248</p> <p>Account Name: SLS Wire Clearing</p> <p>Please reference borrower name, property address, and/or Loan Number for all payments. An email with wire detail can also be sent to <a href="mailto:NASLSServAqcCashOps@computershare.com">NASLSServAqcCashOps@computershare.com</a></p>
<p>Overnight Delivery</p>	<p>CMC Funding, Inc. 6200 S. Quebec St. Greenwood Village, CO 80111 Attn: Cashiering Department</p>

<p>Mortgagee Clause for Hazard and Flood Insurance</p>	<p>CMC Funding, Inc. ISAOA C/O SLS P.O. Box 4500 Springfield, OH 45501</p>
<p>Insurance correspondence received by the Selling PFI</p>	<p>CMC Funding, Inc. ISAOA C/O SLS P.O. Box 4500 Springfield, OH 45501</p>
<p>Insurance Claims</p>	<p>LoanTransfers@sls.net</p>
<p>Tax bills received by the Selling PFI</p>	<p>LoanTransfers@sls.net</p>
<p>If the Selling PFI has any questions regarding the servicing of the loan(s) the Selling PFI may call or email CMC Funding</p>	<p>Funding: Secondary Marketing at <a href="mailto:MSRlock@cmcfunding.com">MSRlock@cmcfunding.com</a> or by phone at 1-855-722-2136  Servicing: Servicing Oversight at <a href="mailto:LoanServicing@cmcfunding.com">LoanServicing@cmcfunding.com</a> or by phone at 1-855-722-2136</p>



**Exhibit 6 Tax Information Sheet**

Include this document in the Mortgage Loan File.

**Tax Information Sheet**

MPF Loan Number: \_\_\_\_\_

Name of Borrower: \_\_\_\_\_

Date: \_\_\_\_\_

Property Address: \_\_\_\_\_ Street

\_\_\_\_\_ City State Zip

Legal Description of Property: \_\_\_\_\_

\_\_\_\_\_

**COUNTY TAXING AUTHORITY OFFICE NAME:** \_\_\_\_\_

Mailing Address of Tax Collector: \_\_\_\_\_ Street

\_\_\_\_\_ City State Zip

Telephone Number \_\_\_\_\_

\_\_\_\_\_  
Tax ID / Parcel # Tax Paid-Through Date Last Amount Paid Date of Last Payment

\_\_\_\_\_  
Est. Annual Tax # of Installments Yearly Next Economic Loss Date

\_\_\_\_\_  
Current Assessed Value Previous Value or Exempt

**CITY TAXING AUTHORITY OFFICE NAME:** \_\_\_\_\_

Mailing Address of Tax Collector: \_\_\_\_\_ Street

\_\_\_\_\_ City State Zip

Telephone Number \_\_\_\_\_

Tax ID / Parcel #	Tax Paid-Through Date	Last Amount Paid	Date of Last Payment
Est. Annual Tax	# of Installments Yearly	Next Economic Loss Date	
Current Assessed Value		Previous Value or Exempt	

**SCHOOL TAXING AUTHORITY OFFICE NAME:** \_\_\_\_\_

Mailing Address of Tax Collector: \_\_\_\_\_  
Street  
City State Zip

Telephone Number \_\_\_\_\_

Tax ID / Parcel #	Tax Paid-Through Date	Last Amount Paid	Date of Last Payment
Est. Annual Tax	# of Installments Yearly	Next Economic Loss Date	
Current Assessed Value		Previous Value or Exempt	

**OTHER TAXING AUTHORITY OFFICE NAME:** \_\_\_\_\_

Mailing Address of Tax Collector: \_\_\_\_\_  
Street  
City State Zip

Telephone Number \_\_\_\_\_

Tax ID / Parcel #	Tax Paid-Through Date	Last Amount Paid	Date of Last Payment
Est. Annual Tax	# of Installments Yearly	Next Economic Loss Date	
Current Assessed Value		Previous Value or Exempt	

**Exhibit 7 Hazard Insurance Notification**

Selling PFI's Name  
NOTICE OF CHANGE OF SERVICER  
HAZARD INSURANCE NOTIFICATION

Transferor:

Selling PFI's Name  
Address

(000) 000-0000

New Mortgagee Clause

Payee-Code:

CMC Funding, Inc. ISAOA  
C/O SLS  
P.O. Box 4500

Payee:

Name of  
Company Address  
Address

Policy No.  
New Mortgagee No.

Mortgagor Name  
Property Address

Old Servicer  
Loan No.

-----  
4242901600  
1517997928

Borrower  
1111 Street Address  
Anywhere, NJ 11111

0012684361

**Exhibit 8 Flood Insurance Notification**

Selling PFI's Name  
NOTICE OF CHANGE OF SERVICER  
FLOOD INSURANCE NOTIFICATION

Transferor:

Selling PFI's Name  
Address

(000) 000-0000

New Mortgagee Clause

Payee-Code:

CMC Funding, Inc. ISAOA  
C/O SLS  
P.O. Box 4500

Payee:

Name of  
Company Address  
Address

Policy No. New Mortgagee No.	Mortgagor Name Property Address	Old Servicer Loan No.
4242901600 1517997928	Borrower 1111 Street Address Anywhere, NJ 11111	0012684361

**Exhibit 9 PMI Insurance Notification**

Selling PFI's Name  
NOTICE OF CHANGE OF SERVICER  
PMI INSURANCE NOTIFICATION

Transferor:

Selling PFI's Name  
Address

(000) 000-0000

New Mortgagee Clause

Payee-Code:

Specialized Loan Servicing LLC  
6200 S. Quebec St.  
Greenwood Village, CO 80111

Payee:

Name of  
Company Address  
Address

(Master Policy Number: 000000000000000000)

Policy No. New Mortgagee No.	Mortgagor Name Property Address	Old Servicer Loan No.
4242901600 1517997928	Borrower 1111 Street Address Anywhere, NJ 11111	0012684361