Subject: MAC Committee – Bonds

When: Tuesday, August 9, 2016 @ 2pm ET

Committee Chair: Denise Pappu (Wells Fargo)

Attendees:

- Wells Fargo – Lawrence Banton
- Berkadia – Sue Gomulka
- Prudential – Blake Rudolph
- Red Capital - Chris Hauck
- McCracken – Kathleen Mullin, Patti Newman

Meeting Minutes:

- 3.3.12 – need to be able to add other fees
  1. How are fees being posted currently?
     - Wells using - Reserves being used. Working and can link to P&I account. Has deposit amounts and can easily move funds.
  2. Misc Receivable – be able to use P&I accounts
     - This will limit the manual wiring
     - How would balances be tracked? – Need a method of tracking balances
  3. Where would the calculations go?
     - Fees be built into note rate or note
       - 3.3.13 when fees are built into note rate
       - Interest stack – posted as interest
       - Variable rate – post to interest – different servicers are doing differently. (is that overstating interest?) Rate Stack in note wording to be reviewed.
  4. Samples of different types
     - Lawrence sent samples in past
  5. Need to be able to reconcile balances by dda and where funds are coming from
- 3.3.18 – Breakdown needed by Fannie Mae showing details
- 3.3.23 – bill borrower on fix rate for a time period (estimate), then later variable to re-do the bill for the full period. (Add flexibility to how to estimate vs actual billing). Need to bill for both. Estimated funds are held in suspense and should show on bills.
  1. Need ability to pull a bill and identify
- 3.3.25 – 3rd party reporting, formatting
- 3.3.26 – no file layout changed by Fannie
- 3.3.27 – file layouts for Freddie, new spec's are needed
- Completed review of BRD
- Prioritize – While there are some areas that would give them some lift, team needs base portion (balances, calc of fees, etc) to remove the manual or custom systems they are currently using. Here were some items that are key:

- Rates – way to upload (mapping tool)
- Way to pull from Bloomberg
- Balances – multiple balance
- Calculation of Fees
- Billing
- Investor Reporting – Remittance

Take away

- Berkedia – will send samples of types
  - Fee types – Interest rate stack
  - 3rd party formatting remittance reports
- Lawrence – sending new Freddie Mac spec's for reporting

Next call agenda – None planned

- Next meeting will be set after McCracken finalizes the BRD