Servicing-Released Transactions with an SRP Rate Sheet

Fannie Mae

With Servicing Execution Tool (SET), mortgage servicing rights (MSRs) were sold via auction to servicing buyers. The buyer with the best price for the loan was automatically selected and the Servicing Release Premium (SRP) was displayed and locked upon making the commitment.

Now, when using Servicing Marketplace and committing with either MarketPoint or Pricing & Execution – Whole Loan®, sellers have transparency into paired servicing buyers' pricing with the SRP rate sheet and the flexibility to choose the servicing buyer.

Benefits of the Servicing Marketplace SRP Rate Sheet

- Transparency into SRP pricing for both best effort and mandatory commitments.
- Understanding of products that meet purchasing requirements of each paired servicing buyer.

  Note: With the SRP rate sheet, you can see which products and features a servicing buyer will or will not buy and at what price. When a servicing buyer does not respond with a price for a loan, you know it is because they do not buy servicing rights for loans with a special feature code that is part of that loan.
- Know who you want to commit with when you commit.

  Note: Whether selecting a servicing buyer or using the best execution feature in MarketPoint, sellers will always understand why a servicing buyer responds with the price they do.
- The servicing buyer and SRP rate sheet are locked at commitment, and the final SRP price is calculated at the time of loan purchase.

How to use an SRP Rate Sheet

Base SRP Schedule Header	Amortization Type	Amortization Term Min	Amortization Term Max	Loan Type
Base SRP Schedule Data	Fixed	0	120	Conventional
Base SRP Schedule Data	Fixed	121	180	Conventional
Base SRP Schedule Data	Fixed	181	240	Conventional
Base SRP Schedule Data	Fixed	241	300	Conventional
Base SRP Schedule Data	Fixed	301	360	Conventional
Base SRP Schedule Data	ARM	0	360	Conventional

Par Rate Header	Amortization Type	Amortization Term Min	Amortization Term Max	Loan Type
Par Rate Data	Fixed	0	120	Conventional
Par Rate Data	Fixed	121	180	Conventional
Par Rate Data	Fixed	181	240	Conventional
Par Rate Data	Fixed	241	300	Conventional
Par Rate Data	Fixed	301	360	Conventional
Par Rate Data	ARM	0	360	Conventional

Special Feature Code Adjustment Header	Amortization Type	Amortization Term Min	Amortization Term Max	Loan Type	Special Feature Code	Adjustment
Special Feature Code	Fixed	0	120	Conventional	147	-0.1875
Special Feature Code	Fixed	121	180	Conventional	807	-0.375
Special Feature Code	Fixed	181	240	Conventional	147	-0.40625

SRP Rate Sheet (left) helps a seller's understanding of the products specific servicing buyers purchase and what loan factors are used in their pricing. The format is the same for every servicing buyer, although ranges and other adjustments will vary.

Notice in sample (left):

- Base SRP: Defines the products the servicing buyer will purchase and the base SRP before adjustments are calculated
- All other sections define adjustments, exceptions, and fees that servicing buyer may use to determine the final SRP.

Using the Purchase Advice to understand the final SRP price

Check out your Purchase Advice report in Fannie Mae Connect™ to understand the SRP breakdown for all servicing-released loans delivered. A few things to note:

- Rate sheet is locked at the time of commitment.
- Purchase advice includes the high-level breakdown used to determine the funded proceeds, including servicer fees and escrow balance is what is actually sold and to your selected servicing buyer.
- Compare Purchase Advice with your SRP rate sheet to ensure all calculations of fees and holdbacks are accurate. The prices listed on these resources should always match.

Please review the SPR related fields below from a sample Purchase Advice. An explanation for each field is provided to help you understand the information provided.

Gross SRP	3,867.50	2,905.00
SRP Holdback	0.00	290.50
Servicer Fees	230.00	85.00
NET SRP	3,637.50	2,820.00
Escrow Balance	0.00	1,082.24
Net Funding SRP	3,637.50	2,529.50

- Gross SRP: Sum of base SRP plus all pricing adjusters.
- Servicer Fees: Amount charged in order to purchase servicing for a loan.
- Net SRP: Gross SRP minus servicer fees.
- Escrow Balance: Netted from the Net SRP.
- Net Funding SRP: Sum of gross SRP, SRP holdback, servicer fees, and escrow balance.

Additional SRP resources to reference:

[Rate Sheet Quick Start Video]
[Servicing Marketplace SRP Grid Instruction Manual]
[Multi-variable Pricing Template]
[Servicing Marketplace Rate Sheet Template]
[Pricing Enhancements Sample File]