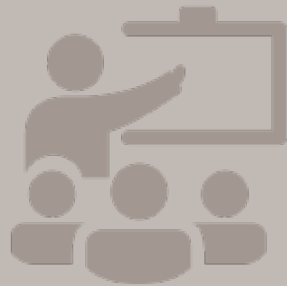




MPF[®] Workshops



EMPOWERING YOU
for What's Next

Mortgage Partnership Finance[®]

Shelly Schwieso, VP/ Mortgage Strategies

April 2016

AGENDA

<https://www.fhlbdm.com/MPFSalesWorkshop>

8:30AM Registration

9:00AM Opening Remarks

9:30AM Ellie Mae: CRM Mortgage Strategy

Larry Fried, Director of Business Development

Jim Blatt, VP of CRM Strategy

11:00AM Mortgage Coach: The Modern Mortgage Experience

Dave Savage, CEO/Founder

12:00PM Lunch & FHLB Des Moines: Break The Mold Session

Shelly Schwieso, VP/Mortgage Strategies

1:00PM Zillow: Mortgage Lead Generation

Jon Grus, Account Executive Mortgage Sales

2:00PM MGIC: Social Media to Increase Business Opportunities

- Vance Edwards, Marketing Program Director
- Ben Smidt, Digital Marketing Program Specialist

FHLB DES MOINES MPF PROGRAM

MPF Program Products

The FHLB Des Moines can hold loans on our balance sheet or sell them through to Fannie Mae, Redwood Trust or Ginnie Mae.

SELL

OFF BALANCE SHEET
NON-RISK SHARING PRODUCTS



MPF Xtra®



MPF Direct



MPF
Government MBS

HOLD

ON BALANCE SHEET
RISK SHARING PRODUCTS

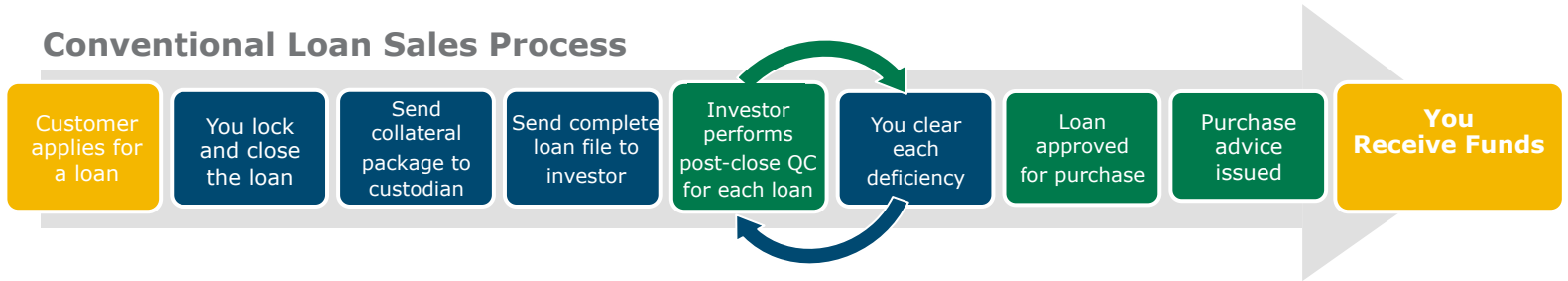
MPF Traditional

- MPF Original
- MPF 125

Mortgage Sales Option With Easier Delivery and Faster Payment

KEY ■ You ■ Your Customer ■ Investor ■ FHLBank

Conventional Loan Sales Process



MPF Loan Sales Process



*Approximately 10% of loans randomly selected for post-close QC (Fannie Mae QC standards), subject to additional discretionary requests. MPF Direct (Jumbo) loans sold via traditional loan sales process.

FHLB DES MOINES MPF PROGRAM

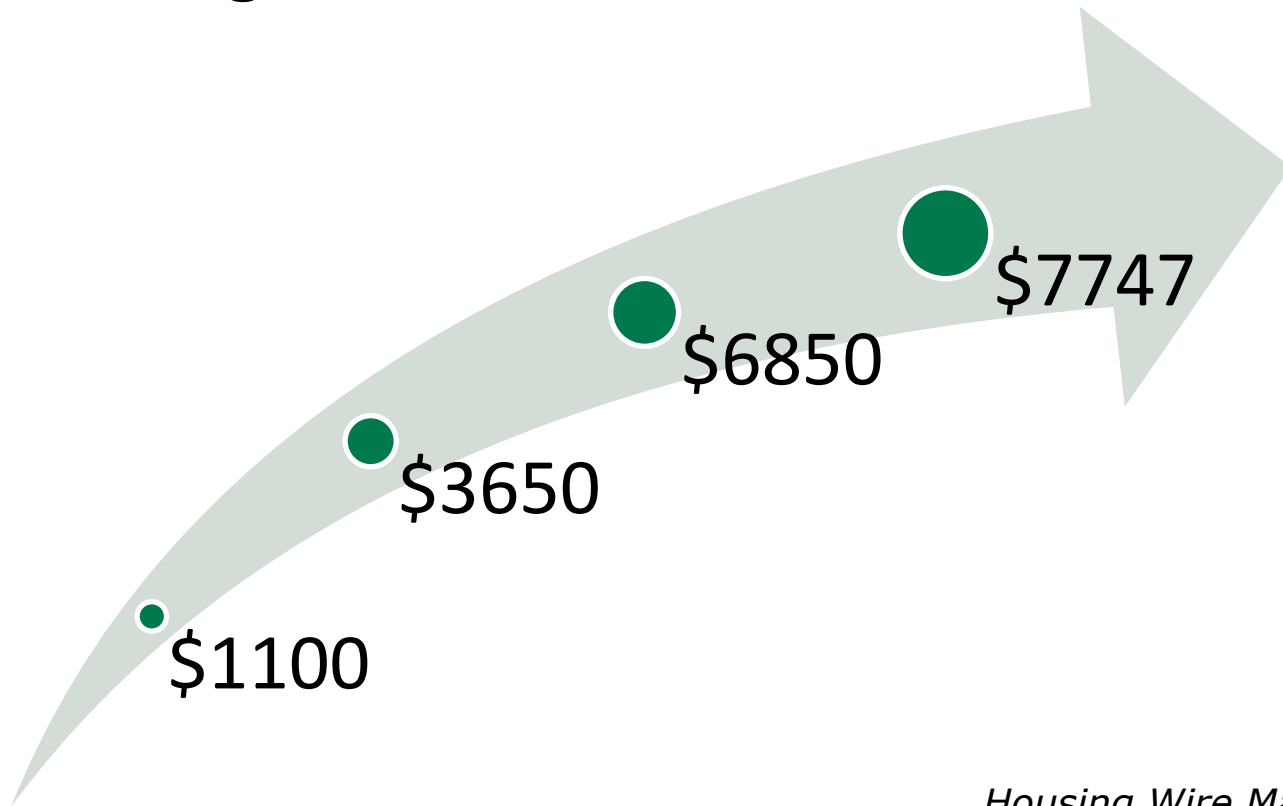


**Lender required to meet all applicable regulatory requirements.*



How do I combat the rising costs of regulation?

Do you recognize these numbers?

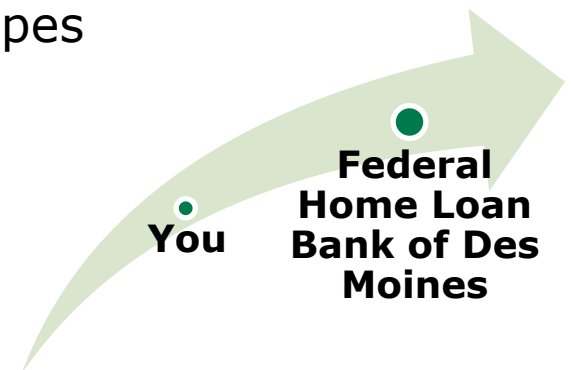


Housing Wire March 2016

WHAT IS MPF TRADITIONAL?

The MPF Traditional Product

- Fixed-rate conventional conforming loan types
 - (includes High-Balance)
- Service Released or Retained Option
- 1-4 unit residential properties
 - Owner-occupied primary and second homes
- Minimum credit score is 620



Rewards Loan Performance –

- MPF Traditional for conventional loan types balances shared risk with shared reward on loan performance, rewarding you for the quality of your loan production.

Own the customer relationship

- Whether you release servicing with our non-solicit/non-compete agreement or you retain servicing, MPF Traditional allows you to retain the customer relationship.

What makes MPF Traditional Different?

- No Loan Level Price Adjustments
- Additional Fee Income Stream Post-Purchase
- Fully Delegated Lending Authority
- The Simplicity of One Rate Sheet even for High Balance Mortgages
- No Concentration Limits

LOAN PRICING SCENARIOS

Retained– Single Family

30-Year Loan, FICO: 720-739, LTV: 75.01-80.00%,

Loan Amount: < \$417,000

20-Business Day Lock (30-Calendar Days)			
Note Rate:	3.625%	3.750%	3.875%
MPF Traditional	101.774	102.298	102.813
MPF Xtra (Fannie Mae)	101.355	101.961	102.516
Difference	0.419	0.337	0.297

Rates as of 4/15/2016

Please note: CE Fee Income of 10 bps not included in Traditional product pricing.

LOAN PRICING SCENARIOS

Retained– Single Family/High Balance

30-Year Loan, FICO: 720-739, LTV: 75.01-80.00%,

Loan Amount: \$417,001-\$600,300, Salt Lake County

20-Business Day Lock (30-Calendar Days) <small>Rates as of 4/15/2016</small>			
Note Rate:	3.625%	3.750%	3.875%
MPF Traditional	101.774	102.298	102.813
MPF Xtra (Fannie Mae)	100.130	100.724	101.216
Difference	1.644	1.574	1.597

Please note: CE Fee Income of 10 bps not included in Traditional product pricing.

LOAN PRICING SCENARIOS

Retained – Single Family/Cash Out

30-Year Loan, FICO: 720-739, LTV: 75.01-80.00%, Loan Amount: < \$417,000

20-Business Day Lock (30-Calendar Days)			
Note Rate:	3.625%	3.750%	3.875%
MPF Traditional	101.774	102.298	102.813
MPF Xtra (Fannie Mae)	100.230	100.836	101.391
Difference	1.544	1.462	1.422

Rates as of 4/15/2016

Please note: CE Fee Income of 10 bps not included in Traditional product pricing.

LOAN PRICING SCENARIOS

Released– Single Family

30-Year Loan, FICO: 720-739, LTV: 75.01-80.00%,

Loan Amount: < \$417,000

20-Business Day Lock (30-Calendar Days)			
Note Rate:	3.625%	3.750%	3.875%
MPF Traditional	102.824	103.348	103.863
MPF Xtra (Fannie Mae)	102.172	102.746	103.270
Difference	0.652	0.602	0.593

Rates as of 4/15/2016

Please note: CE Fee Income of 10 bps not included in Traditional product pricing.

LOAN PRICING SCENARIOS

Released– Single Family/High Balance

30-Year Loan, FICO: 720-739, LTV: 75.01-80.00%,

Loan Amount: \$417,001-\$600,300, Salt Lake County

20-Business Day Lock (30-Calendar Days) <small>Rates as of 4/15/2016</small>			
Note Rate:	3.625%	3.750%	3.875%
MPF Traditional	102.824	103.348	103.863
MPF Xtra (Fannie Mae)	100.797	101.358	101.820
Difference	2.027	1.990	2.043

Please note: CE Fee Income of 10 bps not included in Traditional product pricing.

LOAN PRICING SCENARIOS

Released – Single Family/Cash Out

30-Year Loan, FICO: 720-739, LTV: 75.01-80.00%, Loan Amount: < \$417,000

20-Business Day Lock (30-Calendar Days)			
Note Rate:	3.625%	3.750%	3.875%
MPF Traditional	102.824	103.348	103.863
MPF Xtra (Fannie Mae)	101.047	101.621	102.145
Difference	1.777	1.727	1.718

Rates as of 4/15/2016

Please note: CE Fee Income of 10 bps not included in Traditional product pricing.

Additional Fee Income Post Purchase

Present Value of Credit Enhancement and Dividend

Assumptions:

30 yr. Fixed

3.75% Note Rate

6 year life at .2% Default Rate

+ Credit Enhancement Fee .44 bps

+ Activity Stock Dividend .50 bps

= Value beyond Base Price .94 bps

Federal Home Loan Bank of Des Moines March 2016

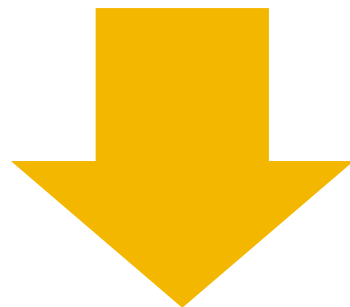


The New Normal

Unprecedented Challenge



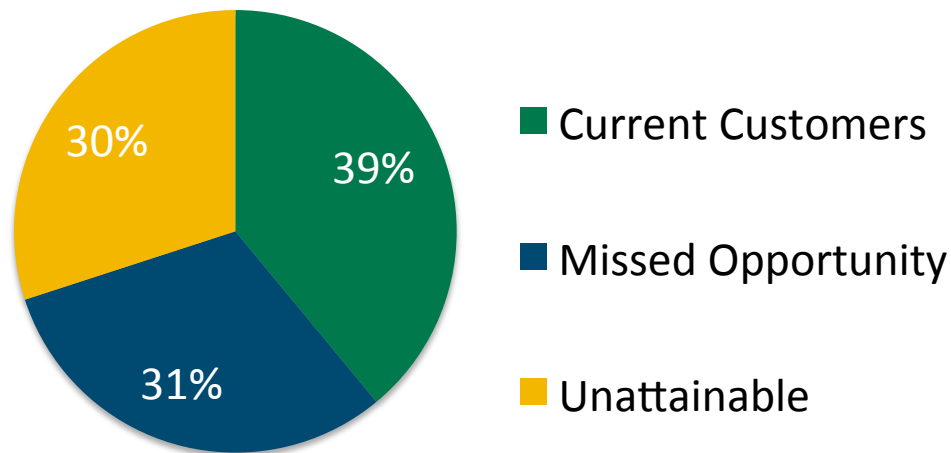
Operational
Excellence



Customer
Dissatisfaction

Too Busy?

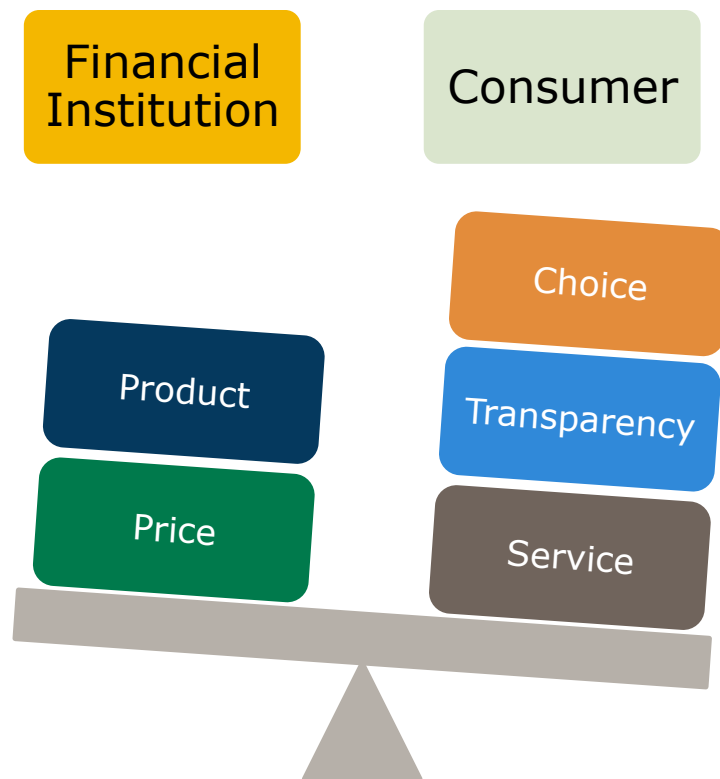
Mortgage Market Share



“Lenders are missing an opportunity to increase their mortgage business by 79% with their existing customers.”

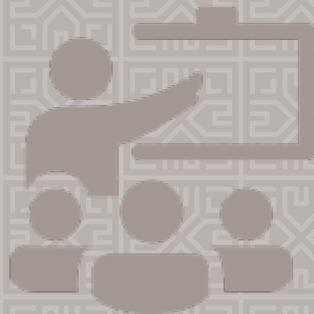
U.S. Mortgage Lending, Carlisle & Gallagher Consulting Group

Power Shift





MPF Workshops



EMPOWERING YOU
for What's Next

Mortgage Partnership Finance