



PFI Marketing Bulletin 2012-1

January 13, 2012

Effective Date: Immediately

Subject: New Concurrent Sale of Servicing Opportunity under the MPF Xtra[®] Product

The Mortgage Partnership Finance[®] (MPF[®]) Program is pleased to announce the availability of a Concurrent Sale of Servicing option under the MPF Xtra product. The MPF Program is partnering with Prospect Mortgage to bring the servicing sale opportunity announced in PFI Xtra Notice 2012-1 to our PFIs. This option is available to PFIs interested in realizing the value of the servicing rights upfront for loans they sell under the MPF Xtra product.

As PFIs, you can sell and deliver fixed-rate mortgages under the MPF Xtra product while having the flexibility to retain the servicing or concurrently sell the servicing to Prospect Mortgage for a competitive price. This flexibility allows you to take advantage of current, favorable market conditions and meet your balance sheet needs without the expense of the infrastructure or expertise to service the loans you originate while continuing to meet the needs of your customers.

You will find this Concurrent Sale of Servicing option extremely attractive if you value the price benefit of the MPF Xtra product and are looking to maximize the value of the related servicing upfront. Also, as an approved PFI, there is no need for a separate approval by Prospect Mortgage. You are eligible to begin selling your MPF Xtra loan servicing today.

This offering under the MPF Xtra product is an addition to, and does not replace, any existing concurrent sale of servicing options available through the MPF Program for other MPF products.

About the MPF Program

To participate in the MPF Program, a financial institution must be a member of an FHLBank that offers the MPF Program and the MPF Xtra product. Currently, new loan purchases under MPF Xtra are available through the following FHLBanks: Boston, Chicago, Des Moines and Pittsburgh.

For More Information:

For more information about Concurrent Sale of Servicing opportunities in your district contact your FHLBank; <http://www.fhlbmpf.com/contact.asp>

For general questions about the MPF Program, please call the MPF Customer Support Desk at 877-INFO-MPF (877-463-6673) or visit us at; <http://www.fhlbmpf.com>

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