



A New Secondary Market Outlet for FHLBNY Members

The Federal Home Loan Bank of New York (FHLBNY) offers the Mortgage Asset Program (MAP®) as a secondary market outlet for Participating Financial Institution (PFI) members.

What is MAP®?

MAP is a platform for the FHLBNY to buy mortgages from PFIs and hold them on the balance sheet. MAP gives mortgage lenders a competitive alternative to funding mortgages, allowing you to sell loans to provide liquidity at a premium, on a flexible and transparent operational platform. MAP is available to member PFIs of all asset sizes.

MAP® Features & Benefits

- A flexible program with competitive pricing catered to our local markets
- No loan level price adjustments
- A pathway to accumulate FHLBNY Stock – members are required to purchase capital stock equal to 4.5% of what they deliver into MAP, which could potentially add significant economic lift to the program*
- Simplified credit risk sharing structure with the added potential to be rewarded with fee income for strong loan performance
- No risk-based capital impact or collateralization requirements on loans sold
- *New:* Partnership with Optimal Blue (OB) Marketplace to provide value-added services, such as real-time MAP rates and guidelines
- *Now available:* Servicing-Released sale option to maximize your upfront cash revenue received while also reducing operational expense

BENEFIT	MAP® STRUCTURE
Ease of use for members	FHLBNY has a dedicated team of 19 employees whose priority is to provide members support from end to end as they sell loans into MAP
Customer service and vendor control	FHLBNY has a direct line of communication with the Quality Control, Document Custodian, and Master Servicing vendors to quickly address any member concerns
Potential future income stream	Rewards member for good loan performance
Modern technology platform and process	FHLBNY is working with a market leader to provide a customized asset management system that allows members to seamlessly manage their pipeline and master commitments
True Sale	MAP's risk sharing structure allows for a "true" legal sale

**View the next page for more information on the economic advantages of MAP.*

ECONOMIC ADVANTAGES OF MAP

PFI can deliver fixed-rate conforming conventional and government mortgage loans with terms of 15, 20, and 30 years on owner-occupied primary and second homes. MAP offers both a servicing retained and released option. PFI is required to purchase capital stock equal to 4.5% of the amount delivered into MAP. MAP does not have collateralization requirements.

Potential Future Income Stream

- To protect against credit losses the FHLBNY places 150 bps of the loan amount aside into a Member Performance Account (MPA). The MPA contribution does not come out of the loan sale proceeds.
- If there are minimal loan losses, the MPA will get released back to the member over a pre-determined schedule starting in year 5 after the end of a master commitment.
- Assuming no loan losses, the MPA fund release to the member adds approximately 91 bps of additional economic lift to the program (see the following Economic Impacts example).

Economic Impacts of Capital Stock & Future MPA Release to MAP

The present value of the dividend income from capital stock over the average life of the loan sold plus the present value of the scheduled MPA release over time could potentially add significant economic lift to the program.*

Loan Amount \$300,000.00 <ul style="list-style-type: none">• 30 Loan Term (Years)• 7.5 Average Life (Years) <p>FHLBNY sets aside 150 bps to cover potential losses; if losses are minimal, funds are released back to the member in the future.</p>	Dividend Impact Assumptions 6.75% 5.65% Dividend Assumption* Discount Rate	Sales Revenue \$306,702.00
	Capital Stock Members are required to purchase capital stock equal to 4.5% of deliveries \$13,500.00	Sales Profit \$6,702.00
	Present Value of Capital Stock Cashflows \$14,402.75	Present Value of Dividend Income and future MPA Release of Funds
	Dividend Impact to Pricing \$902.75 (30 bps)	+ \$902.75
	MPA Impact to Pricing \$2,733.11 (91 bps benefit)	+ \$2,733.11
Loan Price 102.234	Sales Price Impact (Economic Lift) 121.20 Basis Points	Net Profit \$10,337.86
		"All-In" Price 103.446

*Although the FHLBNY dividend yield has been historically strong, past performance does not guaranty future results. FHLBNY stock dividend history is available under the [Investor Relations](#) section of the FHLBNY website.

QUESTIONS ABOUT MAP? CONTACT US:

Member Services Desk: (212) 441-6600 | Relationship Managers: (212) 441-6700

Schedule a tailored one-on-one session to learn the benefits of participation for your institution.

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