



Servicing Notice

July 31, 2019

Extension of Cost of Funds Index

In February 2019, we announced the retirement of ARM plans that use the 11th District monthly weighted-average cost of funds index (COFI) as computed each month by the Federal Home Loan Bank of San Francisco (FHLBank). The FHLBank had previously announced their intention to cease publishing this index in January 2020, with the December 2019 COFI being the last published rate.

Recently, the FHLBank announced that it will extend publishing of this COFI index for an additional year. The Bank will no longer calculate the index after the publication of the December 2020 COFI on January 29, 2021.

Impact on Loan Servicing

As a courtesy to our customers, we are issuing this Notice to alert servicers of the extension of this index. While we have not determined the substitute index for COFI loans that are being serviced on Fannie Mae's behalf, we are diligently working with the industry and FHFA on this matter. As soon as the substitute index is determined, we will communicate to servicers accordingly.