



October 15, 2007

Flagstar Bank Selects Fiserv eMortgage Technology

Electronic Closings and Electronic Vault Storage Will Complete Flagstar Bank's Paperless Processes

BROOKFIELD, Wis., Oct 15, 2007 (BUSINESS WIRE) -- Fiserv, Inc. (NASDAQ:FISV), a leading provider of technology solutions, announced today that Troy, Michigan-based Flagstar Bank (NYSE:FBC), a \$16.2-billion-asset federal savings bank and one of the leading originators of prime residential mortgage loans, is now managing its eMortgage signing, closing and post-closing processes using the Fiserv eLending platform. Flagstar Bank also uses the technology to securely store electronic notes (eNotes) and other closing documents in the Fiserv electronic vault (eVault) and to facilitate the electronic transfer of assets to secondary market investors and loan servicers.

Use of the eLending platform is a natural extension of Flagstar Bank's existing paperless technologies and moves the bank one step closer to entirely eliminating paper from the mortgage process.

"Flagstar Bank is known in the industry for its leadership in mortgage technology," said Kim Weaver, vice president of eLending product development for Fiserv Lending Solutions. "It makes sense for them to emerge as an early adopter of eMortgage technology. Using our eLending platform, Flagstar Bank is leveraging existing systems and provider relationships to strategically add the eMortgage as a loan production option."

Instead of originating loans with paper notes, Flagstar Bank uses the mortgage industry standard SMART Doc(TM) format to create electronic documents that combine machine-readable loan data with a viewable image. The Fiserv eLending platform enables borrowers and closing agents to affix signatures and seals to the SMART Doc eNotes to transact fully electronic closings.

Flagstar Bank selected the Fiserv eLending platform because it can be seamlessly integrated with the bank's proprietary loan origination and imaging systems, as well as used to manage the SMART Docs created by Flagstar's longtime document provider, Online Documents, Inc.

"Integration of Fiserv eLending functionality with our existing systems and document provider is enabling us to roll out eMortgages with minimal changes to our business practices," said Brian Boike, first vice president of lending support for Flagstar Bank. "The integration streamlines the exchange of electronic documents, helps schedule closings and allows our customers to electronically sign their mortgages. The results are quicker turnaround times and enhanced customer service."

Flagstar Bank leverages the Fiserv collaborative online environment to share closing documents with closing agents and borrowers. The Fiserv eLending platform logs all interactivity with the electronic documents and manages versions to ensure that the correct documents are reviewed and executed. Once a loan is signed using the platform's electronic signature capabilities, the eNote is automatically registered with the MERS(R) eRegistry to establish an authoritative record of ownership and document custodianship. The Fiserv eLending platform also transparently invokes MERS eDelivery for vault-to-vault asset transfers when Flagstar Bank purchases or sells loans, or transfers servicing rights.

Flagstar Bank should benefit operationally and financially from the immediate sharing of executed original loan documents among all of its business partners, from closing agents to the secondary market.

"At the time of the electronic closing, borrowers affix their signatures electronically to the SMART Document eNote," said Boike. "There is no expense or delay caused from courier delivery because regardless of where the borrower and closing agent are located, the electronic document originals are immediately available via the Fiserv eVault. The platform enables almost instant transmittal to the secondary market so we are paid sooner. We retain complete control over the transfer of the asset without the time and expense required for paper documents."

Flagstar Bank's use of the SMART document eNotes helps to qualify the assets for secondary market sale to Fannie Mae (NYSE:FNM).

"As an investor in eMortgages, we applaud Flagstar Bank for embracing eMortgages as a new method for originating and

selling mortgage loans," said Mark Oliphant, director of Fannie Mae's business and strategic development. "With this capability, Flagstar is well-positioned to realize the significant value of paperless mortgages."

About Flagstar Bank

Flagstar Bank is a federal savings bank with 16.2 billion in assets at June 30, 2007, and is one of the leading originators of prime residential mortgage loans. Flagstar originates mortgage loans nationwide through 73 home loan centers in 19 states and a network of approximately 6,000 active brokers and correspondents across the country. Flagstar Bank, which is a wholly owned subsidiary of Flagstar Bancorp, Inc. (NYSE:FBC), also operates 159 retail banking centers in Georgia, Indiana and Michigan. For more information, please visit www.flagstar.com.

About Fiserv, Inc.

Fiserv, Inc. (NASDAQ:FISV), a Fortune 500 company, provides information management systems and services to the financial and insurance industries. Leading services include transaction processing, outsourcing, business process outsourcing (BPO), software and systems solutions. The company serves more than 18,000 clients worldwide and is the leading provider of core processing solutions for U.S. banks, credit unions and thrifts. Fiserv was ranked the largest provider of information technology services to the financial services industry worldwide in the 2004, 2005 and 2006 FinTech 100 surveys. Headquartered in Brookfield, Wis., Fiserv reported more than \$4.5 billion in total revenue for 2006. For more information, please visit www.fiserv.com.

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