



Fannie Mae®

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# Multifamily Selling and Servicing Guide

Effective as of April 5, 2024

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## 801.05 Commitment

### Operating Procedures

Steps	You must...
1	Submit a Commitment request for the Credit Enhancement Mortgage Loan through C&D within 24 hours after the Bond Purchase Agreement is executed.
2	Ensure the Commitment reflects the <ul style="list-style-type: none"><li>• Bond interest rate (for an MBS for Bonds, the Bond interest rate equals the MBS Pass-Through Rate),</li><li>• term sheet attached to the Official Statement, and</li><li>• Credit Enhancement Commitment Letter terms, for a Credit Enhancement Instrument.</li></ul>
3	Enter all information into C&D per the screen instructions and C&D User Manual.
4	Coordinate with Multifamily Acquisitions to resolve any submission problems or discrepancies.

Fannie Mae will evaluate your submission and, if appropriate, confirm the Commitment.



# Glossary

## C

**Commitment** Contractual agreement between you and Fannie Mae where Fannie Mae agrees to buy a Mortgage Loan at a future date in exchange for an MBS, or at a specific price for a Cash Mortgage Loan, and you agree to Deliver that Mortgage Loan.

### Synonyms

- Committed
- Commitments

**Credit Enhancement Instrument** Agreement between Fannie Mae and a Bond Trustee where Fannie Mae provides credit enhancement of a Credit Enhancement Mortgage Loan, Bonds issued to finance a Credit Enhancement Mortgage Loan, or an Interest Rate Hedge Agreement; and if applicable, a Bond liquidity facility.

### Synonyms

- Credit Enhancement Instruments

**Credit Enhancement Mortgage Loan** Mortgage Loan financed by a Bond issuance where Fannie Mae provides credit enhancement by

- a Credit Enhancement Instrument, or
- an MBS for Bonds.

### Synonyms

- Credit Enhancement Mortgage Loans

## M

**MBS** Mortgage-Backed Security



## MBS for Bonds

Fannie Mae MBS:

- issued to credit enhance tax-exempt Bonds; or
- exchanged for Bonds redeemed at MBS issuance.

### **Synonyms**

- MBS Exchange
- MTEB
- MTEM

## Multifamily Acquisitions

Team that can be contacted at  
[mf\\_acquisitions@fanniemae.com](mailto:mf_acquisitions@fanniemae.com).

## **P**

## Pass-Through Rate

Mortgage Loan Gross Note Rate minus the Guaranty Fee, minus the Servicing Fee.