Fannie Mae®

Multifamily Selling and Servicing Guide

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301.03A Eligible Depository

Requirements

You must ensure all Custodial Accounts are demand deposit or money market accounts maintained at an Eligible Depository. An Eligible Depository is:

- a Federal Reserve Bank;
- a Federal Home Loan Bank; or
- depository institution if it complies with the following.

Depository Institution...	Must...
Accounts	Be insured by the • Federal Deposit Insurance Corporation, or • National Credit Union Share Insurance Fund.
Rating	Have an applicable Federal or State rating of • well capitalized, or • if unrated, meet the capital requirements for a well capitalized rating.

Depository Institution...	Must...
Minimum Financial Ratings for Assets $20 Billion or More	• If rated by both S&P and Moodys, meet all of the following: - for S&P: ▪ an A-2 short-term issuer rating; and ▪ a BBB long-term issuer rating; and - for Moodys: ▪ a P-3 short-term bank deposit rating; and ▪ a Baa2 long-term bank deposit rating. • If only rated by S&P, have: - an A-2 short-term issuer rating; and - a BBB long-term issuer rating. • If only rated by Moodys, have: - a P-3 short-term bank deposit rating; and - a Baa2 long-term bank deposit rating.
Minimum Financial Ratings for Assets Less than $20 Billion	Meet at least 1 of the following: • For S&P: - an A-2 short-term issuer rating; and - a BBB long-term issuer rating. • For Moodys: - a P-3 short-term bank deposit rating; and - a Baa2 long-term bank deposit rating. • For IDC Financial Publishing, Inc., or its successor, a 175. • For Kroll Bond Rating Agency, Inc., or its successor, a C+.

Operating Procedures

You may establish the account within your own institution if you

- are an Eligible Depository, and
- do not use your general ledger or internal operating account for Custodial

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Accounts.