



Multifamily Selling and Servicing Guide

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204.04 Restrictions on Issuer Collateral

Requirements

You must ensure that the Issuer does not collateralize the Letter of Credit with a lien on

- the Property, or
- any personal property that secures the Mortgage Loan.



Glossary

I

Issuer	Entity that: <ul style="list-style-type: none">• issues Bonds for a Credit Enhancement Mortgage Loan;• packages mortgages for sale as a Security for an MBS; or• issues a Letter of Credit. <p>Synonyms</p> <ul style="list-style-type: none">• Issuers
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L

Letter of Credit	Letter of Credit approved by Fannie Mae per Part I, Chapter 2: Mortgage Loan, Section 204: Letters of Credit .
	<p>Synonyms</p> <ul style="list-style-type: none">• Letters of Credit• LOC• LOCs

M

Mortgage Loan	Mortgage debt obligation evidenced, or when made will be evidenced, by the Loan Documents or a mortgage debt obligation with a Fannie Mae credit enhancement.
	<p>Synonyms</p> <ul style="list-style-type: none">• Mortgage Loans

P



Property

Multifamily residential property securing the Mortgage Loan and including the land (or Leasehold interest in land), Improvements, and personal property (as defined in the Uniform Commercial Code).

Synonyms

- Properties
- Property's