

# Multifamily Selling and Servicing Guide

Effective as of November 4, 2025

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## 204.05 Drawing on Letter of Credit



You may, with Fannie Mae's written approval, instruct the issuing bank to honor a draw on the Letter of Credit by depositing the proceeds into an account designated by Fannie Mae.

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## **Glossary**

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Letter of Credit

Letter of Credit approved by Fannie Mae per Part I, Chapter 2: Mortgage Loan, Section 204: Letters of Credit.

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### **Synonyms**

- Letters of Credit
- Letter of Credit's
- LOC
- LOCs