Fannie Mae®

# Multifamily Selling and Servicing Guide

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# TABLE OF CONTENTS

Part I Section 204.05 Drawing on Letter of Credit ..... 3
GLOSSARY ..... 4

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## 204.05 Drawing on Letter of Credit

### Operating Procedures

You may, with Fannie Maes 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.

# 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.<br><br>**Synonyms**<br>• Letters of Credit<br>• Letter of Credit's<br>• LOC<br>• LOCs |