



# Multifamily Selling and Servicing Guide

Effective as of November 25, 2019

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## **204.02B** Changes to the terms of the Streamlined Rate Lock or the Commitment

### **1. Decrease in the Delivered Mortgage Loan Amount in Excess of the Delivery Tolerance up to 10% of the Commitment Amount.**

If after the completion of full underwriting, the Lender determines that the Delivered Mortgage Loan Amount will be less than 95% of the Commitment Amount but greater than 90% of the Commitment Amount, then:

- for Cash and MBS Trades with the Multifamily Trading Desk:
  - Fannie Mae shall accept delivery of the Mortgage Loan in such lesser amount; and
  - the Lender shall owe as liquidated damages, to be paid from the Good Faith Deposit, an amount equal to (i) the difference between 95% of the Commitment Amount and the Delivered Mortgage Loan Amount, multiplied by (ii) the applicable Good Faith Deposit percentage set forth in [Part IV A, Chapter 3: Committing, Section 304: Good Faith Deposits](#);
- for MBS Trades with a Third Party MBS Investor:
  - the Lender must confirm whether the Third Party MBS Investor will accept delivery of an MBS in a lower amount than that required to meet that Third Party MBS Investor's delivery requirements (but which Third Party MBS Investor's delivery requirements shall not be less than 90% of the Commitment Amount); and
  - send confirmation by the Third Party MBS Investor that the Third Party MBS Investor will accept delivery of the MBS in such lower amount to Multifamily Acquisitions.

Within 1 Business Day after the determining that the Delivered Mortgage Loan Amount will be less than the Commitment Amount and not within the Delivery Tolerance as permitted above, the Lender must submit a data change request in C&D as described in [Part IV A, Chapter 3: Committing, Section 305: Commitment Terms and Procedures](#) to update the fields that relate to the changed Commitment Amount.

### **2. Increase in the Delivered Mortgage Loan Amount in Excess of the Delivery Tolerance is Justified (Dual Commitment Option).**

For Cash and MBS Trades with the Multifamily Trading Desk, the Lender may utilize the Dual Commitment Option set forth in [Part IV B,](#)



Chapter 2: Streamlined Rate Lock, Section 205: Dual Commitment Option only if, after the completion of full underwriting, the Lender determines that:

- the Streamlined Rate Lock Mortgage Loan qualifies for additional proceeds in excess of the Delivery Tolerance; and
- the Lender desires to increase the Commitment Amount of the Streamlined Rate Lock Mortgage Loan.

### **3. Change in the Streamlined Rate Lock for a Non-Qualifying Green Rewards Mortgage Loan.**

In addition to any other changes required by this Section, if after determining that the Mortgage Loan will not (a) project the reduction in annual energy or water consumption required to qualify as a Green Rewards Mortgage Loan, or (b) receive the Fannie Mae-recognized Green Building Certification required to qualify as a Green Mortgage Loan, an adjustment to the Streamlined Rate Lock will be required. Within 1 Business Day after such determination, the Lender must:

- prior to originating the Mortgage Loan, (i) notify the Fannie Mae Deal Team, and (ii) make any necessary changes to the Mortgage Loan amount and Gross Note Rate in the Loan Documents; and
- prior to the Delivery Deadline, submit a data change request in C&D, as described in [Part IV A, Chapter 3: Committing, Section 305: Commitment Terms and Procedures](#), to:
  - update the Gross Note Rate for the Mortgage Loan to include the alternative “non-Green” Guaranty Fee Rate and Servicing Fee Rate provided by the Fannie Mae Deal Team at the time of Rate Lock as a Green Mortgage Loan; and
  - make any required change in the Mortgage Loan amount.



## Glossary

### B

Business Day	<p>Any day other than a</p> <ul style="list-style-type: none"><li>• Saturday,</li><li>• Sunday,</li><li>• day on which Fannie Mae is closed,</li><li>• day on which the Federal Reserve Bank of New York is closed, or</li><li>• for any MBS and any required withdrawal for remittance thereunder, a day on which the Federal Reserve Bank is closed in the district where any funds are held for the MBS.</li></ul>
	<p><b>Synonyms</b></p> <ul style="list-style-type: none"><li>• Business Days</li></ul>

### C

Commitment	<p>Contractual agreement between Fannie Mae and the Lender where Fannie Mae agrees to buy a Mortgage Loan from the Lender at a future date in exchange for an MBS, or at a specific price for a Cash Mortgage Loan, and the Lender agrees to Deliver that Mortgage Loan to Fannie Mae.</p>
	<p><b>Synonyms</b></p> <ul style="list-style-type: none"><li>• Committed</li><li>• Commitments</li></ul>

Commitment Amount	Anticipated Mortgage Loan amount per the Commitment.
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### D

Delivered Mortgage Loan Amount	UPB of a Mortgage Loan when it is purchased by Fannie Mae.
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**Delivery Deadline** Per Part IV A, Chapter 4: Delivery Procedures – Data, Section 401: General for the Delivery of a Mortgage Loan for purchase.

**Delivery Tolerance** Per Part IV A, Chapter 4: Delivery Procedures – Data, Section 401: General for the Delivery of a Mortgage Loan for purchase.

**Dual Commitment Option** For ERL Mortgage Loans and Streamlined Rate Lock Mortgage Loans that are subject to trades with the Multifamily Trading Desk, the ability of the Lender to increase the Rate Lock Amount of the Mortgage Loan per Part IV B, Chapter 1: Early Rate Lock.

## **F**

**Fannie Mae Deal Team** Team responsible for reviewing Pre-Review Mortgage Loans, waivers, etc.

**Synonyms**

- Deal Team

## **G**

**Good Faith Deposit** As defined in Part IV A, Chapter 3: Committing, Section 304: Good Faith Deposits.

**Synonyms**

- Good Faith Deposits

**Green Building Certification** Designation awarded by a third-party organization to multifamily properties constructed or maintained to meet specified energy and water efficiency standards or other sustainability criteria.



**Green Mortgage Loan** Mortgage Loan secured by a Property that incorporates features expected to have a positive environmental outcome including, but not limited to, reducing energy and water consumption at a Property, generating energy, or meeting criteria set by a third-party green building certification organization.

**Synonyms**

- Green Mortgage Loans

**Green Rewards Mortgage Loan** Mortgage Loan secured by a Property on which the Borrower agrees to undertake 1 or more Energy- and Water-Efficiency Measures (Efficiency Measures or EWEM) that comply with [Part III, Chapter 4: Green Mortgage Loans, Section 403: Green Rewards Mortgage Loans](#).

**Synonyms**

- Green Rewards Mortgage Loans
- Green Rewards

**Gross Note Rate** Interest rate stated in the Loan Documents.

**Guaranty Fee Rate** Rate of the Mortgage Loan Guaranty Fee expressed as an annualized percentage.

**L**

**Lender** Person approved by Fannie Mae to sell or service Mortgage Loans.

**Synonyms**

- Lenders
- Lender's



## Loan Documents

All documents evidencing, securing, or guaranteeing the debt obligation executed for a Mortgage Loan and approved by Fannie Mae.

### **Synonyms**

- Loan Document
- Mortgage Loan Document
- Mortgage Loan Documents

## **M**

### MBS

Mortgage-Backed Security

### 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.

### **Synonyms**

- Mortgage Loans

### Multifamily Acquisitions

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

### Multifamily Trading Desk

Team that quotes interest rate pricing for a Mortgage Loan and can be contacted at (888) 889-1118.

## **R**

### Rate Lock

Agreement between the Lender and the Investor containing the terms of the Lender-Arranged Sale or Multifamily Trading Desk trade of the Mortgage Loan and the MBS terms and conditions relating to the underlying MBS, if applicable, which may be documented via a recorded telephone conversation.

### **Synonyms**

- Rate Locks

## **S**





Servicing Fee Rate

Rate of the Servicing Fee for the Mortgage Loan, expressed as an annualized percentage.

## **T**

Third Party MBS Investor

MBS Investor for an MBS Mortgage Loan that is not the Multifamily Trading Desk.