



Multifamily Selling and Servicing Guide

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306.03A Timing of Hedge Acquisition

An Interest Rate Hedge is required for each Structured ARM Loan. The Borrower must enter into an Interest Rate Hedge Agreement with a Fannie Mae-approved provider meeting the requirements of [Part III, Chapter 12: Structured Adjustable Rate Mortgage \(SARM\) Loans, Section 1205: Interest Rate Caps](#), in time to ensure entry of the hedge data (as described in [Part IV B, Chapter 3: Structured Transactions, Section 306.03B: Hedge Data](#)) into MSFMS no later than:

- for Structured ARM Loans that are MBS Mortgage Loans: 7 Business Days prior to (and not including) the Book-Entry Date of the MBS; or
- for Structured ARM Loans that are Cash Mortgage Loans: 5 Business Days prior to (and not including) Fannie Mae's purchase of the Mortgage Loan.



Glossary

B

Book-Entry Date Calendar date a Security is delivered by Fannie Mae via the Federal Reserve book-entry system to the applicable Investor's designated book-entry account at a depository institution.

Synonyms

- Book-Entry Delivery Date
- Settlement Date

Borrower Person who is the obligor under the Note.

Synonyms

- Borrowers
- Borrower's

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

MSFMS Multifamily Structured Facilities Management System performing collateral delivery and securitization functions for Structured Transactions.