



Fannie Mae®

Multifamily Selling and Servicing Guide

Effective as of August 1, 2024

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203.02 Minimum Good Faith Deposit

Requirements

Unless directed by Fannie Mae, you must determine the Minimum Good Faith Deposit as follows:

| For a... | With a Rate Lock Period... | The Minimum Good Faith Deposit is... |
|---|--|---|
| Mortgage Loan with a Rate Lock amount of \$9million or less | Less than or equal to 90 days | 1% of the Rate Lock amount. |
| Mortgage Loan with a Rate Lock amount of more than \$9million | Less than or equal to 90 days | 2% of the Rate Lock amount. |
| Supplemental Mortgage Loan of any amount | Less than or equal to 90 days | 2% of the Rate Lock amount. |
| Mortgage Loan or Supplemental Mortgage Loan of any amount | More than 90 days and less than or equal to 180 days | 3% of the Rate Lock amount. |
| Mortgage Loan of any amount | More than 180 days for a non-Forward Commitment | The greater of <ul style="list-style-type: none"> • 3% of the Rate Lock amount, or • the amount approved by the Fannie Mae Deal Team. |
| Credit Enhancement Mortgage Loan of any amount | Per the Credit Enhancement Commitment Letter | 1% of the Rate Lock amount. |
| For a Forward Commitment | Per the confirmed Forward Commitment | Equal to the Minimum Good Faith Deposit charged for the permanent Mortgage Loan. |



➔ Guidance

If you accept a letter of credit for any portion of the Good Faith Deposit, you remain liable and responsible for all Breakage Fees.

You should:

- Ensure the letter of credit expiration date is at least 15 days after the
 - Rate Lock expiration date, or
 - Commitment expiration date.

- Extend the letter of credit expiration date after an extension of the
 - Rate Lock expiration date, or
 - Commitment expiration date.



Glossary

C

Commitment Contractual agreement between you and Fannie Mae where Fannie Mae agrees to buy a Mortgage Loan at a future date in exchange for an MBS, or at a specific price for a Cash Mortgage Loan, and you agree to Deliver that Mortgage Loan.

Synonyms

- Committed
- Commitments

Credit Enhancement Mortgage Loan Mortgage Loan financed by a Bond issuance where Fannie Mae provides credit enhancement by

- a Credit Enhancement Instrument, or
- an MBS for Bonds.

Synonyms

- Credit Enhancement Mortgage Loans

F

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

Synonyms

- Deal Team

Forward Commitment Commitment to purchase a permanent Mortgage Loan for a to-be constructed or rehabilitated Property.

Synonyms

- Forward Commitment's
- Forward Commitments

G



Good Faith Deposit

Amount you collect from the Borrower when originating a Mortgage Loan per [Part IV, Chapter 2: Rate Lock and Committing, Section 203: Good Faith Deposits](#).

Synonyms

- Good Faith Deposits

M

Minimum Good Faith Deposit

Amount you are required to collect when originating a Mortgage Loan per [Part IV, Chapter 2: Rate Lock and Committing, Section 203.02: Minimum Good Faith Deposit](#).

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
- Mortgage Loan's

R

Rate Lock

Agreement between you 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

Rate Lock Period

Time from Rate Lock execution through the Settlement Date.

S



Supplemental Mortgage Loan

Mortgage Loan purchased by Fannie Mae that is subordinated to, and has a Mortgage Loan Origination Date after, the Senior Mortgage Loan that is also owned by Fannie Mae.

Synonyms

- Supplemental Mortgage Loans