



Fannie Mae®

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# Multifamily Selling and Servicing Guide

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## **TABLE OF CONTENTS**

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Part IV Section 203.02 Minimum Good Faith Deposit .....	3
GLOSSARY .....	5



## 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 \$6million 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 \$6million	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	The greater of <ul style="list-style-type: none"><li>• 3 % of the Rate Lock amount, or</li><li>• the amount approved by the Fannie Mae Deal Team.</li></ul>
Credit Enhancement Mortgage Loan of any amount	Per the Credit Enhancement Commitment Letter	1 % of the Rate Lock amount.

### 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 underwritten and serviced by the Lender and financed by the issuance of Bonds where Fannie Mae is providing a Credit Enhancement Instrument.

**Synonyms**

- Credit Enhancement Mortgage Loans

## F

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

**Synonyms**

- Deal Team

## 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