



Fannie Mae®

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# Multifamily Selling and Servicing Guide

Effective as of June 7, 2024

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## Section 204 Commitments

### 204.01 Submission

#### Requirements

You must request the Commitment by 3:30 p.m. Eastern Time on the Business Day after the date the Rate Lock is executed.

After a Commitment is confirmed, you must not

- replace or substitute any Property securing the Mortgage Loan, or
- assign the Commitment.

#### Guidance

Fannie Mae reserves the right to reject any Commitment request.

Each Commitment is issued for a single Mortgage Loan, but a Mortgage Loan may be secured by 1 or more Properties.

#### Operating Procedures

To request a Commitment, perform the following, as applicable:

For...	Process
All Mortgage Loans	<ol style="list-style-type: none"><li>1. Enter all information into C&amp;D per the screen instructions and C&amp;D User Manual .</li><li>2. Coordinate with Multifamily Acquisitions to resolve any submission problems or discrepancies.</li></ol>
MBS Mortgage Loans	<ol style="list-style-type: none"><li>1. Identify any special characteristics requiring Additional Disclosure.</li><li>2. Comply with <a href="#">Part IV, Chapter 5: Purchase, Section 504.02: Additional Disclosure</a> and <a href="#">Form 4098</a>.</li></ol>

After the Commitment is in a “submitted” status in C&D, you cannot change it.

If Fannie Mae determines any Commitment terms are incorrect or invalid, you will be directed to make necessary changes.

You must notify the Investor of the changes.



## 204.02 Confirmation

### Requirements

Upon confirmation, you must Deliver, and Fannie Mae must purchase, the Mortgage Loan according to the Commitment.

### Guidance

After Fannie Mae confirms the Commitment, you may use the confirmation to secure warehouse financing.

## 204.03 Modifications

### 204.03A Change Requests

#### Operating Procedures

After confirmation, if you believe the Commitment is incorrect, submit a data change request in C&D.

Fannie Mae will:

- accept the revised terms, modify the Commitment, and make necessary data changes; or
- reject the revised terms and either enforce the original Commitment or terminate the Commitment.

### 204.03B Rate Lock Extensions

#### Requirements



For...	Extension Requirements
<p>MBS or cash Multifamily Trading Desk trades</p>	<ul style="list-style-type: none"> <li>• If the initial Rate Lock Period was 90 days or less, you must               <ul style="list-style-type: none"> <li>- request Multifamily Trading Desk approval, and</li> <li>- agree to pay any Rate Lock Extension Fee per the Pricing Memo.</li> </ul> </li>   <li>• If an extension would cause the total Rate Lock Period to exceed:               <ul style="list-style-type: none"> <li>- 90 days, you must collect the additional required Minimum Good Faith Deposit; or</li> <li>- 180 days, you must obtain Fannie Mae Deal Team approval before seeking the extension and collect the additional required Minimum Good Faith Deposit.</li> </ul> </li>   <li>• After you agree to pay the Rate Lock Extension Fee, the Rate Lock expiration date will be changed to a date that               <ul style="list-style-type: none"> <li>- was mutually agreed to, and</li> <li>- is not more than 30days after the original Rate Lock expiration date.</li> </ul> </li> </ul>
<p>Lender-Arranged Sales</p>	<p>If you negotiate a Rate Lock expiration date extension with the Third Party MBS Investor:</p> <ul style="list-style-type: none"> <li>• You must notify the Fannie Mae Deal Team of the new Rate Lock expiration date and any required interest rate adjustment.</li> <li>• The extension must not               <ul style="list-style-type: none"> <li>- exceed 30days after the original Rate Lock expiration date, or</li> <li>- cause the total Rate Lock Period to exceed 180 days.</li> </ul> </li> </ul>
<p>Forward Commitments</p>	<p>Per Part III, Chapter 20: Forward Commitments, Section 2003.05C: Forward Commitment Extensions.</p>

**204.03C** Commitment Extensions



## Requirements

If you extend the Rate Lock expiration date, you must also request a Commitment extension.

## Operating Procedures

To extend the Commitment:

1. Submit a data change request in C&D on or before the Commitment expiration date.
2. For an MBS Mortgage Loan, obtain any necessary MBS Investor approval for any Book-Entry Date change.
3. Fannie Mae will change your Commitment in C&D to reflect the new Commitment expiration date and the revised Book-Entry Date, if necessary.
4. When Fannie Mae approves the extension, you will receive a new Commitment expiration date.



# Glossary

## A

### Additional Disclosure

Information you provide that is published as an addendum to the disclosure documents when an MBS is issued and describes special Security, Mortgage Loan, or Property characteristics or terms that differ from those described in the standard Multifamily MBS Prospectus.

#### **Synonyms**

- Additional Disclosures
- Special Disclosure

## B

### Book-Entry Date

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

### Business Day

Any day other than a

- Saturday,
- Sunday,
- day when Fannie Mae is closed,
- day when the Federal Reserve Bank of New York is closed, or
- for any MBS and required remittance withdrawal, day when the Federal Reserve Bank is closed in the district where any of the MBS funds are held.

#### **Synonyms**

- Business Days

## 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

**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

**I**

**Investor** MBS Investor for an MBS Mortgage Loan, or Fannie Mae for a Cash Mortgage Loan.

**Synonyms**

- Investors
- Investor's

**L**





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

**Synonyms**

- Lenders
- Lender's

## M

**MBS** Mortgage-Backed Security

**MBS Investor** For MBS Mortgage Loans, either a Third Party MBS Investor for Lender-Arranged Sales, or the Multifamily Trading Desk.

**MBS Mortgage Loan** Mortgage Loan purchased by Fannie Mae in exchange for an issued MBS backed by the Mortgage Loan.

**Synonyms**

- MBS Mortgage Loans

**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

**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.

## P

Pricing Memo

Applicable DUS Pricing Memo or non-DUS Pricing Memo communicating pricing for various products and features.

### **Synonyms**

- Pricing Memos

Property

Multifamily residential real estate securing the Mortgage Loan, including the

- fee simple or Leasehold interest,
- Improvements, and
- personal property (per the Uniform Commercial Code).

### **Synonyms**

- Properties
- Property'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.

## T



Third Party MBS  
Investor

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

**Synonyms**

- Third Party MBS Investor's