



Fannie Mae®

Multifamily Selling and Servicing Guide

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Section 302 Preliminary Underwriting

Requirements

Before obtaining a Streamlined Rate Lock, you must:

- Have sufficient information and documentation to obtain preliminary approval from your internal loan committee for the Streamlined Rate Lock Mortgage Loan.
- Obtain an executed Borrower Commitment (per [Part IV, Chapter 2: Rate Lock and Committing, Section 201.01: Borrower Commitment](#)) requiring the Borrower to
 - close the Streamlined Rate Lock Mortgage Loan, and
 - be liable for any costs, fees, or damages for failing to originate the Mortgage Loan.
- Collect from the Borrower
 - the Good Faith Deposit (per [Part IV, Chapter 2: Rate Lock and Committing, Section 203: Good Faith Deposits](#)), and
 - funds to pay for transaction costs, including third-party reports.
- Identify the Borrower, Key Principals, Guarantor, and Principals, and for each one (except a Borrower that is being newly formed)
 - perform an ACheck, and
 - confirm they are not on the
 - U.S. Treasury Department OFAC list, or
 - FHFA SCP List.
- Advise the Borrower
 - to review the Loan Documents and request any changes, and
 - after Rate Lock, subsequent unapproved Loan Document modification requests are not a defense for failing to originate the Mortgage Loan according to the Commitment (at the Rate Lock amount).
- Enter into a Streamlined Rate Lock Agreement with the Borrower and Guarantor (or Key Principals if no Guarantor has been identified or is required) requiring each party to pay any damages if the Borrower does not originate the Mortgage Loan, including damages to a Third Party MBS Investor that may exceed Fannie Mae's Minimum Good Faith Deposit.



Glossary

A

ACheck Lender due diligence performed for the Borrower, Key Principal, and Principal using the ACheck application.

Synonyms

- Applicant Experience Check

B

Borrower Person who is the obligor per the Note.

Synonyms

- Borrowers
- Borrower's

Borrower Commitment Your written commitment with the Borrower to originate a Mortgage Loan, and any separate written or oral rate lock agreements between you and the Borrower to rate lock the Mortgage Loan.

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

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

Guarantor Key Principal or other Person executing a Payment Guaranty, Non-Recourse Guaranty, or any other guaranty related to the Mortgage Loan.

Synonyms

- Guarantors

L

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

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



O

OFAC U.S. Treasury Department, Office of Foreign Assets Control.

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

S

SCP List FHFA's Suspended Counterparty Program list located at www.fhfa.gov.

Streamlined Rate Lock Optional process permitting a Rate Lock before completing full Mortgage Loan underwriting, per [Part IV, Chapter 3: Streamlined Rate Lock](#).

Synonyms

- SRL

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