

Multifamily Selling and Servicing Guide

Effective as of December 1, 2025

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703.04 Pay Off

✓ Requirements

You must confirm, report, and remit funds to pay off the MBS ARM Loan or SARM Loan.

% Operating Procedures

- 1. Request MBS payoff amount verification by submitting your calculation in the Fannie Mae Payoff Calculator per Part V, Chapter 2: Reporting and Remitting, Section 210: Full Prepayments.
- 2. Send the payoff amount to Fannie Mae per the standard monthly remittance process in Part V, Chapter 2: Reporting and Remitting.
- 3. For an MBS ARM Loan or SARM Loan,
 - report a \$0 balance for the MBS on the 1st or 2nd day of the month in which the Conversion Effective Date occurs, and

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■ Fannie Mae will draft the funds due to the MBS Investor.



Glossary

M

MBS Mortgage-Backed Security

MBS Investor For MBS Mortgage Loans, either a Third Party MBS

Investor for Lender-Arranged Sales, or the Multifamily

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Trading Desk.