



Fannie Mae®

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# Multifamily Selling and Servicing Guide

Effective as of August 29, 2025

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## 104.01A Payments

### Operating Procedures

Collect all of the following from the Borrower:

- reimbursement of all amounts Fannie Mae paid or is due per any:
  - Credit Enhancement Instrument or MBS for Bonds;
  - Loan Documents or Reimbursement Agreement;
  - Bond Collateral Agreement; and
  - Interest Rate Cap Agreement or other interest rate hedge;
- any Facility Fee and/or Activity Fee for an unreimbursed Liquidity Advance per the Reimbursement Agreement;
- all amounts required to replenish the PRF;
- any Prepayment Premium or other Termination Fee;
- any other fees, expenses, or additional costs due per any
  - Credit Enhancement Instrument or MBS for Bonds,
  - Security Instrument,
  - Reimbursement Agreement, or
  - other Loan Document; and
- any other amounts due Fannie Mae or the Bond Trustee.

Steps	Activity...
Calculate the Amount Due	<p>After receiving the information to calculate the amount due, you must</p> <ul style="list-style-type: none"><li>• immediately invoice the Borrower, and</li><li>• remit the funds to the appropriate parties per the Reimbursement Agreement or Loan Documents.</li></ul>





Steps	Activity...
Advance Funds Notification	<p>Fannie Mae will notify you of the amount disbursed on or after each disbursement date for any:</p> <ul style="list-style-type: none"><li>• Credit Enhancement Instrument or MBS for Bonds;</li><li>• Loan Document; or</li><li>• other Bond Collateral Agreement.</li></ul>
Payment Timing	<p>You must remit all Borrower payments per the Loan Documents or Fannie Mae's instructions.</p> <p>If you do not pay Fannie Mae or the Bond Trustee until the next Business Day, you must</p> <ul style="list-style-type: none"><li>• invest the funds overnight, and</li><li>• remit all investment earnings to Fannie Mae or the Bond Trustee with the payment.</li></ul> <p>For Borrower payments received after 4:00 p.m. Eastern Time, you must use your best efforts to invest the funds.</p>





# Glossary

## B

**Bond Trustee** Trustee for a Credit Enhancement Instrument.

**Synonyms**

- Bond Trustee's

**Borrower** Person who is the obligor per the Note.

**Synonyms**

- Borrowers
- Borrower's

**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

**Collateral Agreement** Agreement granting a security interest in Mortgage Loan collateral not covered by the Security Instrument.

**Synonyms**

- Collateral Agreements





## Credit Enhancement Instrument

Agreement between Fannie Mae and a Bond Trustee where Fannie Mae provides credit enhancement of a Credit Enhancement Mortgage Loan, Bonds issued to finance a Credit Enhancement Mortgage Loan, or an Interest Rate Hedge Agreement; and if applicable, a Bond liquidity facility.

### **Synonyms**

- Credit Enhancement Instruments

## I

## Interest Rate Cap Agreement

Contract setting forth the terms and conditions of an Interest Rate Cap, Hedge, or Swap.

### **Synonyms**

- Interest Rate Hedge Agreement
- Interest Rate Swap Agreement

## L

## Loan Documents

All Fannie Mae-approved documents evidencing, securing, or guaranteeing the Mortgage Loan.

### **Synonyms**

- Loan Document
- Mortgage Loan Document
- Mortgage Loan Documents

## M

## MBS for Bonds

Fannie Mae MBS:

- issued to credit enhance tax-exempt Bonds; or
- exchanged for Bonds redeemed at MBS issuance.

### **Synonyms**

- MBS Exchange
- MTEB
- MTEM

## P





## Prepayment Premium

For a Mortgage Loan prepayment, amount the Borrower must pay in addition to the prepaid principal and accrued interest per the Loan Documents.

### **Synonyms**

- Prepayment Premiums

## PRF

Account you hold accumulating principal amortization payments for variable rate Bond credit enhancements.

### **Synonyms**

- Principal Reserve Fund

## S

## Security Instrument

Instrument creating a lien or encumbrance on 1 or more Properties and securing the Loan Document obligations.

### **Synonyms**

- Security Instruments
- Security Instrument's