

Multifamily Selling and Servicing Guide

Effective as of December 1, 2025

No portion of this Multifamily Selling and Servicing Guide may be reproduced in any form or by any means without Fannie Mae's prior written permission, except as may be provided herein or unless otherwise permitted by law. Limited permission to reproduce this Multifamily Selling and Servicing Guide in print, in whole or in part, and limited permission to distribute electronically parts of this Multifamily Selling and Servicing Guide, are granted to Fannie Mae-approved Lenders strictly for their own use in originating and selling multifamily Mortgage Loans to, and servicing multifamily Mortgage Loans for, Fannie Mae. Fannie Mae may revoke this limited permission by sending 60 days advance written notice to any or all Fannie Mae-approved Lenders.



TABLE OF CONTENTS

Part V Section 305 Collateral Agreement Custodial Accounts	3
305.01 Deposits	3
305.02 Full Disbursement	3
GLOSSARY	4

Effective: 12/01/2025



Section 305

Collateral Agreement Custodial Accounts

305.01 Deposits

✓ Requirements

If required by the Loan Documents, you must establish Collateral Agreement Custodial Accounts for the Borrower's deposits for any:

- Completion/Repair Escrow;
- Replacement Reserve;
- operating deficit escrow; and
- other Collateral Agreement escrow.

> Operating Procedures

You may establish

- 1 account for all Collateral Agreement deposits, or
- a separate Custodial Account for each:
 - Mortgage Loan;
 - Collateral Agreement type;
 - Borrower; or
 - Collateral Agreement.

305.02 Full Disbursement

% Operating Procedures

You must close the Custodial Account per Part V, Chapter 3: Custodial Accounts, Section 302.01: Notifications after you

Effective: 12/01/2025

- complied with the Collateral Agreement, and
- disbursed all Custodial Account funds.



Glossary

B

Borrower

Person who is the obligor per the Note.

Synonyms

- Borrowers
- Borrower's

C

Collateral Agreement

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

Synonyms

Collateral Agreements

Collateral Agreement Custodial Accounts

Custodial account established by the Servicer for depositing funds received from the Borrower for Collateral Agreements.

Synonyms

• Collateral Agreement Custodial Account

Completion/Repair Escrow

Custodial Account funded on the Mortgage Loan Origination Date for Completion/Repairs or capital improvements per the Loan Documents.

Custodial Account

Accounts established by the Servicer for depositing P&I payments, T&I funds, Collateral Agreement deposits, and other similar funds.

Effective: 12/01/2025

Synonyms

Custodial Accounts

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

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

Replacement Reserve

Custodial Account the Borrower funds during the Mortgage Loan term for Replacements.

Effective: 12/01/2025

Synonyms

Replacement Reserves