



Multifamily Selling and Servicing Guide

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TABLE OF CONTENTS

Part II Section 405 Escrow Requirements for Taxes and Insurance	3
405.01 Escrows	3
405.02 Real Estate Tax Escrow Funding	3
405.03 Insurance Escrow Funding	3
GLOSSARY	4



Section 405 Escrow Requirements for Taxes and Insurance

405.01 Escrows

Requirements

You must require any Tier 2 Mortgage Loan Borrower to make monthly escrow deposits for real estate taxes and insurance premiums.

405.02 Real Estate Tax Escrow Funding

Guidance

You may choose not to fund monthly escrow deposits for real estate taxes for a Tier 3 or Tier 4 Mortgage Loan.

Requirements

If you choose not to fund monthly deposits for real estate taxes then you must ensure all taxes are paid timely.

405.03 Insurance Escrow Funding

Guidance

You may choose not to fund monthly escrow deposits for insurance premiums for a Tier 3 or Tier 4 Mortgage Loan.

Requirements

If you choose not to fund monthly deposits for insurance premiums, you must require the Borrower to provide annual proof of payment of all insurance premiums.



Glossary

B

Borrower Person who is the obligor under the Note.

Synonyms

- Borrowers
- Borrower's

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