



Multifamily Selling and Servicing Guide

Effective as of August 1, 2019

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106.08 Draws on the Letter of Credit

The Servicer must promptly notify Multifamily Asset Management and Multifamily Business Operations whenever a draw on a Letter of Credit may be warranted. If Fannie Mae determines that a draw should be made, Fannie Mae will present a sight draft, signed by Fannie Mae (as beneficiary) to the issuer and arrange to have the cash proceeds wired to a designated Fannie Mae account.



Glossary

L

Letter of Credit

Letter of Credit approved by Fannie Mae per Part I, Chapter 2: Mortgage Loan, Section 204: Letters of Credit.

Synonyms

- Letters of Credit
- LOC
- LOCs

M

Multifamily Asset Management

Team that can be contacted at drawer_am@fanniemae.com.

Multifamily Business Operations

Team that can be contacted at multifamily_bizops@fanniemae.com.

S

Servicer

Primary Person responsible for servicing the Mortgage Loan (e.g., the originator, the selling Lender, or a third-party servicer).

Synonyms

- Servicers