



Multifamily Selling and Servicing Guide

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106.10 Replacement Letters of Credit

Any replacement Letter of Credit must have an expiration date that is at least 30 days past the expiration of the applicable Achievement Agreement or other Collateral Agreement.



Glossary

A

Achievement Agreement

Agreement requiring the Borrower to provide a letter of credit, cash, or guaranty as additional collateral to support the Mortgage Loan amount and specifying the terms for releasing the collateral.

Synonyms

- Achievement Agreements

C

Collateral Agreement

Agreement under which collateral (other than the Property) may be pledged, transferred, or otherwise provided to secure the Borrower's obligations under a Mortgage Loan.

Synonyms

- Collateral Agreements

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