



# Multifamily Selling and Servicing Guide

Effective as of August 1, 2019

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 IV A Chapter 5 Delivery Procedures – Documents .....	3
Section 501 General .....	3
501.01 Custodian .....	3
501.02 Delivery .....	3
501.02A Delivery Deadline; Timing of Document Delivery .....	3
501.02B Location of Delivery .....	3
501.02C Format of Delivery .....	4
501.03 Warehouse Lender and Bailee Letter .....	4
501.04 Review of Mortgage Loan Delivery Package .....	4
501.05 Failure to Deliver: Return of Package .....	5
Section 502 The Mortgage Loan Delivery Package Contents .....	6
502.01 Mortgage Loan Delivery Documents .....	6
502.02 Mortgage Loan Delivery Package Folders .....	6
502.03 Participation Interests .....	6
502.04 ASAP Deliveries .....	7
GLOSSARY .....	8



## Chapter 5 Delivery Procedures – Documents

### Section 501 General

---

#### 501.01 Custodian

The Document Delivery Facility is Fannie Mae's document custodian responsible for holding the original Note and the originals or copies of all other documents required to be included in the Mortgage Loan Delivery Package. Fannie Mae may appoint or assign a different document custodian from time to time to serve this function.

#### 501.02 Delivery

##### 501.02A Delivery Deadline; Timing of Document Delivery

The Lender must deliver the complete Mortgage Loan Delivery Package to the Document Delivery Facility on or before the Delivery Deadline, as more particularly described in [Part IV A, Chapter 4: Delivery Procedures – Data, Section 401: General](#). It is recommended that the Lender deliver the Mortgage Loan Delivery Package in advance of the Delivery Deadline to allow time to correct any deficiencies Fannie Mae may find. Failure to meet the Delivery Deadline may subject the Lender to the provisions of [Part IV A, Chapter 4: Delivery Procedures – Data, Section 401: General](#) and [Part IV A, Chapter 5: Delivery Procedures – Documents, Section 501.05: Failure to Deliver: Return of Package](#).

For a Mortgage Loan to be considered delivered on a given Business Day, the Document Delivery Facility must be in possession of the Mortgage Loan Delivery Package by 10:30 a.m. Eastern Time that day. Fannie Mae will certify a Mortgage Loan for purchase on a given Business Day only if the Mortgage Loan Delivery Package and all required C&D data have been submitted by 10:30 a.m. Eastern Time on such day.

If the Lender's failure to meet the Delivery Deadline requires a change in the Settlement Date, the Lender may be charged a Rate Lock Extension Fee.

##### 501.02B Location of Delivery

The Lender must submit Folder I (as described in the Multifamily Mortgage Loan Delivery Package Table of Contents) to the Document Delivery Facility at the following address:

Fannie Mae (Multifamily)  
New Loan Submission



13150 Worldgate Drive  
Herndon, VA 22070.

Folder II (as described in the Multifamily Mortgage Loan Delivery Package Table of Contents) must be submitted electronically via DocWay.

### **501.02C** Format of Delivery

The Mortgage Loan Delivery Package must include all documents required in [Part IV A, Chapter 5: Delivery Procedures – Documents, Section 502: The Mortgage Loan Delivery Package Contents](#).

For MBS Mortgage Loans, if there is more than 1 Mortgage Loan per MBS Pool, the Mortgage Loan Delivery Package must be in the same numerical order as the C&D data submission. If the Lender is using more than 1 overnight courier envelope or container to deliver a Mortgage Loan (or Mortgage Loans) to Fannie Mae, the Lender must label each envelope or container as follows:

- For MBS Pools consisting of more than 1 Mortgage Loan, the Mortgage Loans should be grouped as 1 package, inclusive of all Mortgage Loans within the MBS Pool, labeled according to how many envelopes or containers are submitted with the Loan Documents, such as “1 of 4, MBS Pool # \_\_\_\_\_,” “2 of 4, MBS Pool # \_\_\_\_\_,” etc.
- For Deliveries consisting of 1 Mortgage Loan, the Mortgage Loan Delivery Package should also be labeled according to how many envelopes or containers are submitted with the Loan Documents, such as, “1 of 2,” “2 of 2.”

### **501.03** Warehouse Lender and Bailee Letter

The Lender may originate the Mortgage Loan with proceeds from a warehouse lender. If the warehouse lender submits the Note to Fannie Mae pursuant to a bailee letter, the bailee letter must be acceptable to Fannie Mae.

### **501.04** Review of Mortgage Loan Delivery Package

Upon receipt of the Mortgage Loan Delivery Package (including the Folder II DocWay submission) and the data required in [Part IV A, Chapter 4: Delivery Procedures – Data](#), Fannie Mae will review the documents to verify that:

- the Loan Documents submitted are consistent with the data in C&D and the Commitment, and have been endorsed or assigned to Fannie Mae;
- a title insurance policy covering the Mortgage Loan has been



issued in accordance with the provisions of [Part II, Chapter 3: Legal Compliance, Section 304: Title Insurance](#) (the Lender may submit the title policy with blanks for the recording information but a final completed title policy with recordation information must be delivered to the Document Delivery Facility no later than 6 months following the Mortgage Loan Origination Date); and

- all other required documents have been submitted.

If the Mortgage Loan Delivery Package is incomplete or has errors, Fannie Mae may, in addition to any other remedy or corrective action it is entitled to take under the Lender Contract, impose fees for noncompliance.

#### **501.05 Failure to Deliver: Return of Package**

Fannie Mae may take any of the following actions if the Mortgage Loan Delivery fails to occur on or before the Delivery Deadline and such failure results in the inability of Fannie Mae to (i) for an MBS Mortgage Loan, settle the MBS by the Settlement Date, or (ii) for a Cash Mortgage Loan, purchase the Mortgage Loan by the earlier of the Settlement Date and the Commitment Expiration Date.

If the failed Delivery occurs in connection with a Multifamily Trading Desk trade (MBS or cash), then after the earlier of the Settlement Date and the Commitment Expiration Date but not sooner than the second Business Day following notice of default to the Lender, Fannie Mae will draft an amount equal to the Minimum Good Faith Deposit from the Lender's account and retain it as liquidated damages in full satisfaction of the Lender's obligations under the Rate Lock and the Commitment. Except as provided here, the Lender will not be responsible for damages in excess of the Minimum Good Faith Deposit, which shall be Fannie Mae's sole remedy. For Mortgage Loans with a Rate Lock Period longer than 180 days, Fannie Mae's additional remedies, if any, for a failed Delivery will be determined by the Multifamily Trading Desk at the time of Rate Lock.

If the failed Delivery occurs in connection with a Lender-Arranged Sale, the Lender shall comply with the requirements of the Third Party MBS Investor.

The Lender shall indemnify, hold harmless, and defend Fannie Mae from and against all actions, suits, claims, proceedings, orders, damages, penalties, and costs arising from the Lender's failure to comply with any Third Party MBS Investor requirements.

The Lender is obligated to the Investor for any breakage fees whether or not it collects the Good Faith Deposit from the Borrower.

If Fannie Mae does not purchase the Mortgage Loan, the Mortgage Loan documents will be returned to the Lender (or to a warehouse lender if a warehouse lender submitted the Note to Fannie Mae pursuant to a bailee



letter).

## **Section 502**      The Mortgage Loan Delivery Package Contents

---

### **502.01**      Mortgage Loan Delivery Documents

The Mortgage Loan must be documented on Fannie Mae's standard form multifamily Loan Documents, as found at [www.fanniemae.com/multifamily](http://www.fanniemae.com/multifamily), and may be modified only as permitted by the Guide or as otherwise approved or directed by Fannie Mae. Any Loan Document (including any Schedule or Exhibit) that the Lender has modified from the published Fannie Mae form must be delivered in a version marked to show all changes incorporated into the final signed documents.

The Multifamily Mortgage Loan Delivery Package Table of Contents ([Form 6502](#)) must list all Loan Documents included in the Mortgage Loan Delivery Package. All appropriate boxes must be checked, and all other documents executed in connection with the Mortgage Loan must be listed in [Form 6502](#).

### **502.02**      Mortgage Loan Delivery Package Folders

Folder I of the Mortgage Loan Delivery Package must contain all closing documents and must be delivered to Fannie Mae in legal-sized accordion folders marked with the Lender name, Commitment number, and Property name. All documents in Folder I must be held together by binder clips or paperclips. Folder I may not contain any loose documents or any documents that are stapled or held together by a rubber band. All documents in Folder I will be held by Fannie Mae until the Maturity Date or earlier disposition or prepayment of the Mortgage Loan.

Folder II of the Mortgage Loan Delivery Package is comprised of the documents or data that must be delivered to Fannie Mae electronically.

The Multifamily Mortgage Loan Delivery Package Table of Contents for Folder I must be included in the front of each folder.

### **502.03**      Participation Interests

From time to time, Fannie Mae may purchase a Participation Interest in a Mortgage Loan. If the Participation Interest is in certificated form, the original certificate of participation or other evidence of the Participation Interest, made in favor of Fannie Mae or accompanied by an assignment of the Participation Interest to Fannie Mae, must be delivered to Fannie Mae. If the Participation Interest is not in certificated form, original documentation must be delivered to Fannie Mae evidencing conveyance of the Participation Interest to Fannie Mae in accordance with the terms of the instruments establishing the Participation Interest. The Lender must also deliver to Fannie Mae, for any Participation Interest, the items listed in the



Multifamily Mortgage Loan Delivery Package Table of Contents for the underlying Mortgage Loan.

#### **502.04** ASAP Deliveries

For Mortgage Loans that are intended to be funded under 1 of the ASAP Options, the Lender must refer to the applicable ASAP Contract for any ASAP-specific delivery requirements.



## Glossary

### A

**ASAP Contract** ASAP Sale Contract, the ASAP Plus Contract, and the ASAP Plus POC Contract.

**Synonyms**

- ASAP Contracts

**ASAP Options** ASAP Sale and ASAP Plus (including ASAP Plus POC) purchase options per Part IV A, Chapter 3: Committing, Section 306: ASAP Contracts.

**Synonyms**

- ASAP Option

### B

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

**Synonyms**

- Borrowers
- Borrower's

**Business Day** Any day other than a

- Saturday,
- Sunday,
- day on which Fannie Mae is closed,
- day on which the Federal Reserve Bank of New York is closed, or
- for any MBS and any required withdrawal for remittance thereunder, a day on which the Federal Reserve Bank is closed in the district where any funds are held for the MBS.

**Synonyms**

- Business Days

### C





## Cash Mortgage Loan

Mortgage Loan purchased by Fannie Mae in exchange for cash.

### **Synonyms**

- Cash Mortgage Loans

## Commitment

Contractual agreement between Fannie Mae and the Lender where Fannie Mae agrees to buy a Mortgage Loan from the Lender at a future date in exchange for an MBS, or at a specific price for a Cash Mortgage Loan, and the Lender agrees to Deliver that Mortgage Loan to Fannie Mae.

### **Synonyms**

- Committed
- Commitments

## Commitment Expiration Date

Date when a Commitment expires.

## **D**

## Delivery

Meeting all of the data delivery requirements in [Part IV A, Chapter 4: Delivery Procedures – Data](#), and submitting an acceptable Mortgage Loan Delivery Package per [Part IV A, Chapter 5: Delivery Procedures – Documents](#). A Mortgage Loan is “Delivered,” when all documents, data, and information are correct, accurate, and able to be certified by Fannie Mae, with all required documents properly completed, executed, and recorded (if applicable), and any deficiencies are resolved to Fannie Mae’s satisfaction.

### **Synonyms**

- Deliver
- Delivered
- Deliveries



**Delivery Deadline** Per Part IV A, Chapter 4: Delivery Procedures – Data, Section 401: General for the Delivery of a Mortgage Loan for purchase.

**Document Delivery Facility** Team responsible for taking custody of and certifying Mortgage Loans that can be contacted at [multifamcert\\_team@fanniemae.com](mailto:multifamcert_team@fanniemae.com) or (800) 940-4646.

**Synonyms**

- DDF
- Multifamily Certification and Custody

**DocWay** Business-to-business electronic documentation delivery application, or any successor system.

## G

**Good Faith Deposit** As defined in Part IV A, Chapter 3: Committing, Section 304: Good Faith Deposits.

**Synonyms**

- Good Faith Deposits

**Guide** Multifamily Selling and Servicing Guide and Delegated Underwriting and Servicing Guide, including any exhibits, appendices, or other referenced forms, as updated, amended, restated, modified, or supplemented by any lender memo; provided, however, if a topic is covered in the Multifamily Selling and Servicing Guide, that Guide shall control unless a Lender Contract specifically requires use of another Guide.

**Synonyms**

- DUS Guide

## I



**Investor** MBS Investor for an MBS Mortgage Loan, or Fannie Mae for a Cash Mortgage Loan.

**Synonyms**

- Investors

## L

**Lender** Person approved by Fannie Mae to sell or service Mortgage Loans.

**Synonyms**

- Lenders
- Lender's

**Lender Contract** Program Documents per the Mortgage Selling and Servicing Agreement.

**Synonyms**

- Lender's Contract
- Lender Contracts
- Contract
- MSSA

**Lender-Arranged Sale** MBS sold to the Lender and held on its balance sheet or delivered to a Third Party MBS Investor.

**Synonyms**

- Lender-Arranged Sales

**Loan Documents** All documents evidencing, securing, or guaranteeing the debt obligation executed for a Mortgage Loan and approved by Fannie Mae.

**Synonyms**

- Loan Document
- Mortgage Loan Document
- Mortgage Loan Documents

## M



Maturity Date	<p>Date all amounts due and owing under the Mortgage Loan become fully due and payable per the Loan Documents.</p> <p><b>Synonyms</b></p> <ul style="list-style-type: none"><li>• Maturity Dates</li></ul>
MBS	<p>Mortgage-Backed Security</p>
MBS Mortgage Loan	<p>Mortgage Loan purchased by Fannie Mae in exchange for an issued MBS backed by the Mortgage Loan.</p> <p><b>Synonyms</b></p> <ul style="list-style-type: none"><li>• MBS Mortgage Loans</li></ul>
MBS Pool	<p>MBS Security backed by MBS Mortgage Loans.</p> <p><b>Synonyms</b></p> <ul style="list-style-type: none"><li>• MBS Pools</li></ul>
Minimum Good Faith Deposit	<p>Amount you are required to collect when originating a Mortgage Loan per <a href="#">Part IV A, Chapter 3: Committing, Section 304: Good Faith Deposits</a>.</p>
Mortgage Loan	<p>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.</p> <p><b>Synonyms</b></p> <ul style="list-style-type: none"><li>• Mortgage Loans</li></ul>
Mortgage Loan Delivery Package	<p>Loan Documents and underwriting material required in connection with the Delivery of a Mortgage Loan.</p>



Mortgage Loan  
Origination Date

Date the Lender funds a Mortgage Loan to the Borrower.

**Synonyms**

- Mortgage Loan's Origination Date
- Origination Date

Multifamily Mortgage  
Loan Delivery Package  
Table of Contents

[Form 6502](#) or another Fannie Mae-approved Table of Contents for a Mortgage Loan Delivery Package.

Multifamily Trading  
Desk

Team that quotes interest rate pricing for a Mortgage Loan and can be contacted at (888) 889-1118.

**N**

Note

Current instrument evidencing a Mortgage Loan obligation, including [Form 6010 series](#), any other note approved by Fannie Mae, and all applicable addenda, schedules, and exhibits.

**Synonyms**

- Notes

**P**

Participation Interest

Undivided interest in a Mortgage Loan specified in the participation certificate consisting of the specified percentage of the principal (and a like percentage of all rights and benefits of the seller of such Participation Interest in any collateral or guaranty securing the Mortgage Loan), together with a specified yield on the Participation Interest.



**Property** Multifamily residential property securing the Mortgage Loan and including the land (or Leasehold interest in land), Improvements, and personal property (as defined in the Uniform Commercial Code).

**Synonyms**

- Properties
- Property's

## **R**

**Rate Lock** Agreement between the Lender and the Investor containing the terms of the Lender-Arranged Sale or Multifamily Trading Desk trade of the Mortgage Loan and the MBS terms and conditions relating to the underlying MBS, if applicable, which may be documented via a recorded telephone conversation.

**Synonyms**

- Rate Locks

**Rate Lock Period** Time from Rate Lock execution through the Settlement Date.

## **T**

**Third Party MBS Investor** MBS Investor for an MBS Mortgage Loan that is not the Multifamily Trading Desk.