



Multifamily Selling and Servicing Guide

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Section 603 MBS Funding and Delivery Methods

On the Book-Entry Date, Fannie Mae will issue and deliver the MBS electronically through the Federal Reserve book-entry system pursuant to the Lender's wiring instructions and using 1 of the 3 available settlement methods described below.

603.01 Third Party MBS Investor Delivery Paths

603.01A Delivery versus Payment

If the Lender selects the "Delivery vs. Payment" option in C&D, Fannie Mae will deliver the MBS directly to the account of the Lender or its designee through the Federal Reserve book-entry system. The Lender or its designee will then deliver the MBS to the Third Party MBS Investor, also through the Federal Reserve book-entry system. The Federal Reserve simultaneously will credit the MBS Investor's account with the MBS, debits the MBS Investor's account for the purchase amount, and credits the purchase amount to the Lender's account.

603.01B Delivery Direct to the Investor

If the Lender selects the "Delivery Direct to the Investor" option in C&D, Fannie Mae will deliver the MBS directly to the Third Party MBS Investor's account pursuant to the Lender's delivery instructions. Upon receipt of the MBS, the Third Party MBS Investor will wire payment to the Lender pursuant to terms agreed to by the Lender and the Third Party MBS Investor.

603.02 Trades with Multifamily Trading Desk - Original Issue Settlement

If the transaction is a trade with the Multifamily Trading Desk, the Lender must select "CSTD" from the "Special Delivery Instructions" dropdown to trigger "Original Issue Settlement" funding. Fannie Mae will match the MBS to the trade and wire the funds directly to the Lender, and the MBS will be assigned directly to Fannie Mae on the Book-Entry Date.



Glossary

B

Book-Entry Date Calendar date a Security is delivered by Fannie Mae via the Federal Reserve book-entry system to the applicable Investor's designated book-entry account at a depository institution.

Synonyms

- Book-Entry Delivery Date
- Settlement Date

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

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

M

MBS Mortgage-Backed Security

MBS Investor For MBS Mortgage Loans, either a Third Party MBS Investor for Lender-Arranged Sales, or the Multifamily Trading Desk.

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

T

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