



Multifamily Selling and Servicing Guide

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107.02 Security Instrument; Collateral Agreements; Uniform Commercial Code Filings

107.02A General

The Servicer must monitor the Borrower's continued compliance with the requirements of the Security Instrument and any other Collateral Agreement.

107.02B Cash Collateral Agreement

Upon request, the Servicer must notify Fannie Mae regarding the status of the investment of the cash collateral posted under any Collateral Agreement. The Servicer must monitor and ensure that any control agreement required to perfect Fannie Mae's security interest in such pledged collateral remains in full force and effect.

107.02C Investment of Collateral

The Servicer must perform reasonable servicing functions, as directed by Fannie Mae, with respect to any Security Agreement. The Servicer acknowledges and agrees, however, that the Servicer has no discretion to direct investment, application, or release of the collateral under any Security Agreement except upon express written authorization and direction from Fannie Mae.

107.02D Monitoring Uniform Commercial Code Filings

The Servicer must monitor and ensure that all UCC filings for Fannie Mae in connection with Loan Documents or related Bond Documents are continued, prior to their expiration, in accordance with the requirements of the jurisdiction in which they are filed.

The Servicer must provide each Bond Trustee with written notice of the need to file continuation statements for all UCC filings for the Bond Trustee for the benefit of Fannie Mae no later than 90 days prior to the expiration of the UCC filings, and must actively, diligently, and persistently seek to obtain confirmation from each Bond Trustee that the requisite continuation statements have been filed prior to the expiration of the UCC filings.



Glossary

B

Bond Trustee Trustee for a Credit Enhancement Instrument.

Borrower Person who is the obligor under the Note.

Synonyms

- Borrowers
- Borrower's

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

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

S

Security MBS, PFP MBS, or REMIC.

Security Instrument Instrument creating a lien or encumbrance on 1 or more Properties and securing the obligations under the Loan Documents.



Servicer

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

Synonyms

- Servicers

U

UCC

Uniform Commercial Code