



Multifamily Selling and Servicing Guide

Effective as of August 1, 2019

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303.01 Purpose of P&I Custodial Accounts

P&I Custodial Accounts are for the deposit of all Borrower payments of P&I due and owing on a Mortgage Loan, including any unscheduled payments of principal, interest, or the recovery of any Delinquency Advances made by the Servicer. The Servicer must deposit any funds received for such purpose in a P&I Custodial Account as soon as practicable, but no later than the second Business Day (including any time during which funds are in a Clearing Account or general ledger account) after receipt by Servicer.



Glossary

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

Clearing Account

Lender account at an Eligible Depository used either for

- receiving funds for various loans and for the benefit of multiple investors, and from which segregated funds are transferred to specific Custodial Accounts held solely for the benefit of Fannie Mae, or
- disbursing funds after transfer from a Fannie Mae Custodial Account.

Synonyms

- Clearing Accounts

M



Mortgage Loan

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.

Synonyms

- Mortgage Loans

P

P&I

Principal and interest

P&I Custodial Account

Custodial Account for principal and interest deposits.

Synonyms

- P&I Custodial Accounts

S

Servicer

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

Synonyms

- Servicers