



Multifamily Selling and Servicing Guide

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Section 305 Commitment Terms and Procedures

305.01 General Commitment Provisions

Each Commitment is issued for a single Mortgage Loan, but a Mortgage Loan may be secured by one or more Properties. Once a Commitment has been confirmed, the Property securing the Mortgage Loan must remain the same and may not be replaced by a substitute property. A Commitment is not assignable. Fannie Mae may reject any request for a Commitment or decline to confirm any Commitment.

305.01A Submission Guidance

The Lender must request a Commitment by 3:30 p.m. Eastern Time on the Business Day after the date the Rate Lock is executed. To obtain a Commitment, the Lender must complete the required fields in C&D and follow all instructions on the C&D screens, including inputting information and comments as required by C&D and the C&D User Manual.

Once the Commitment information is “submitted” in C&D, it may be altered only if Fannie Mae believes that the terms of the Commitment request are not correct or valid. The Lender should contact Multifamily Acquisitions if there are issues submitting information into C&D. Multifamily Acquisitions will contact the Lender if any discrepancies are identified in the submissions.

305.01B MBS Submissions

MBS Mortgage Loans may have special characteristics that require the preparation and delivery of Additional Disclosure documents which must be identified at the time of the Commitment request. See the Additional Disclosure Guidance ([Form 4098](#)) for a list of such characteristics.

305.02 Confirmation of the Commitment

Upon satisfaction of all conditions set forth in the Guide and the Lender Contract, the submitted Commitment is eligible for confirmation. Following Fannie Mae’s confirmation of the Commitment, Fannie Mae and the Lender are legally bound in accordance with the terms of the Commitment. The Lender may use the Commitment to secure warehouse financing or otherwise conduct its business.

305.03 Commitment Modifications

305.03A Change Requests



After confirmation, if the Lender has made an error or believes that the Commitment is otherwise incorrect, the Lender must submit a data change request in C&D to request revisions. If the revised Commitment terms are acceptable to Fannie Mae, Fannie Mae will modify the Commitment and make the necessary changes to the Commitment data. Fannie Mae reserves the right to reject data changes and may, in its sole discretion, choose either to enforce the Commitment in accordance with the original terms or to terminate the Commitment. If a requested change involves changing the Gross Note Rate, the Lender must withdraw the Commitment and request a new Commitment. See the C&D User Manual for further details on “Change Requests.”

305.03B Rate Lock Extensions

1. For Multifamily Trading Desk Trades (MBS or cash): To extend the Settlement Date for any Mortgage Loan with an initial Rate Lock Period of 90 days or less, the Lender must notify the Multifamily Trading Desk. Upon the agreement of the Lender to pay the Rate Lock Extension Fee, the Settlement Date will be changed to a date that (a) has been agreed to by the parties, and (b) is not more than 30 days after the original Settlement Date. The Lender must contact the Multifamily Trading Desk for approval of any Rate Lock extension, with any approval being subject to such additional fees as may be required, for:

- any Mortgage Loan with an initial Rate Lock Period of more than 90 days;
- an extension in excess of 30 days for any Mortgage Loan; or
- an extension for an additional period after the initial 30 day extension permitted above.

If any Rate Lock extension would cause the total Rate Lock Period to exceed 90 days, Fannie Mae reserves the right to increase the Minimum Good Faith Deposit. If any Rate Lock extension would cause the total Rate Lock Period to exceed 180 days, the Lender must also contact the Fannie Mae Deal Team for approval before seeking the extension (e.g., no extension is permitted for a Mortgage Loan with an initial Rate Lock Period in excess of 150 days without the approval of the Fannie Mae Deal Team).

2. For Lender-Arranged Sales: The Lender may negotiate an extension of the Settlement Date with the Third Party MBS Investor. Such extension may not exceed 30 days following the original Settlement Date and may not cause the total Rate Lock Period to exceed 180 days (e.g., no extension is permitted for a Mortgage Loan with an initial Rate Lock Period in excess of 150 days without the approval of the Fannie Mae Deal Team). Any approved extension request (a) may require adjustment to the locked interest rate, as determined by the Third Party MBS Investor; and (b) may require Lender to pay any fees charged by the Third Party MBS Investor.



The “Rate Lock Extension Fee,” for the purpose of this section, means a fee equal to:

(a) for a Multifamily Trading Desk trade (MBS or cash), an amount equal to 0.375% of the Rate Lock amount which amount may, at the discretion of Fannie Mae, be taken as a reduction in the purchase price of the Mortgage Loan; and

(b) for a Lender-Arranged Sale, any fee charged by the Third Party MBS Investor.

305.03C Commitment Extensions

If the Lender obtains an extension of the Settlement Date, the Lender must submit a request for an extension of the Commitment. To request such extension, the Lender must submit a data change request in C&D on or before the Commitment Expiration Date. For MBS Mortgage Loans, the Lender must also obtain any necessary approval from the MBS Investor of any change in the Book-Entry Date. Fannie Mae will make the changes to the Lender’s C&D Commitment submission to reflect the revised Commitment Expiration Date and, if applicable, the revised Book-Entry Date. If the change request involves a change to the Gross Note Rate, the Lender must withdraw the Commitment and request a new Commitment in accordance with the terms of this [Part IV A, Chapter 3: Committing, Section 305: Commitment Terms and Procedures](#).

Upon approval of the extension request, Fannie Mae will provide a revised Commitment Expiration Date.



Glossary

A

Additional Disclosure Part of the disclosure package published by Fannie Mae when issuing an MBS.

Synonyms

- Special Disclosure

Additional Disclosure Guidance Fannie Mae Multifamily Additional Disclosure Guidance ([Form 4098](#)) listing common loan characteristics that may require Additional Disclosure.

Synonyms

- Special Disclosure Guidance

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

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

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.

F

Fannie Mae Deal Team Team responsible for reviewing Pre-Review Mortgage Loans, waivers, etc.

Synonyms

- Deal Team

G

Gross Note Rate Interest rate stated in the Loan Documents.

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

L



Lender	Person approved by Fannie Mae to sell or service Mortgage Loans. Synonyms <ul style="list-style-type: none">• Lenders• Lender's
Lender Contract	Program Documents per the Mortgage Selling and Servicing Agreement. Synonyms <ul style="list-style-type: none">• 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 <ul style="list-style-type: none">• Lender-Arranged Sales
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.
Minimum Good Faith Deposit	Amount you are required to collect when originating a Mortgage Loan per Part IV A, Chapter 3: Committing, Section 304: Good Faith Deposits .



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

Multifamily Acquisitions Team that can be contacted at mf_acquisitions@fanniemae.com.

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

P

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.