



Multifamily Selling and Servicing Guide

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308.02 Consolidated Custodial Account

A Letter of Authorization ([Form 2050](#)) must be submitted to Fannie Mae when establishing a consolidated Custodial Account for drafting purposes.

308.02A Distinct Custodial Accounts for Securitized Mortgage Loans (Other Than PFP MBS)

Separate consolidated Custodial Accounts must be used for drafting P&I remittances for Securitized Mortgage Loans (other than PFP MBS), and other separate consolidated Custodial Accounts must be used for remittances for all other products and executions.

308.02B Timely Remittance

If the Servicer establishes one or more consolidated Custodial Accounts for drafting funds to Fannie Mae, the Servicer must move all funds due Fannie Mae into the consolidated Custodial Account in time to meet Fannie Mae's remittance requirements.

308.02C Commingling of P&I Funds Permitted for Cash Executions

A Servicer that services multiple Multifamily Mortgage Business products and executions for Cash Mortgage Loans may commingle temporarily P&I funds for all such products and executions under its master five-digit Servicer number into one Drafting Account that has been designated as a consolidated Drafting Account for such Cash Mortgage Loans.

308.02D Commingling of P&I Funds Permitted for Securitized Mortgage Loans

A Servicer that services multiple Multifamily Mortgage Business products and executions for Securitized Mortgage Loans may commingle temporarily P&I funds for all such products and executions under its master five-digit Servicer number into one Drafting Account that has been designated as a consolidated Drafting Account for such Securitized Mortgage Loans.

308.02E Separate Accounts for P&I Funds Permitted

The Servicer may designate one Drafting Account for P&I funds for each product and execution that the Servicer services under each of its nine-digit Servicer numbers.



308.02F Corporate/General Lender Accounts Not Permitted

The Servicer's corporate, general ledger, or other internal operating account may not be designated as a Drafting Account.

308.02G Timing of Commingling

When the Servicer commingles funds, the funds must not be commingled earlier than the Business Day preceding the Business Day on which the funds are to be drafted.

308.02H Election of Cash Remittance System or Automated Drafting System Required

The Servicer must use either the Cash Remittance System or the Automated Drafting System (the system used for remittances related to Securitized Mortgage Loans). When the Servicer establishes a consolidated Custodial Account for the Cash Remittance System, the Servicer cannot establish a separate consolidated Custodial Account under the Automated Drafting System.

308.02I Required Records

The Servicer must maintain records on an individual Mortgage Loan level basis regarding the sources of the commingled funds.



Glossary

A

Automated Drafting System

System used for processing remittances to Fannie Mae.

B

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 Remittance System

Multifamily web application allowing a Lender to enter the amounts to be drafted from its bank accounts via ACH for monthly remittances due to Fannie Mae, or any such successor system.

Custodial Account

Accounts established by the Servicer for depositing P&I payments, T&I funds, Collateral Agreement deposits, and other similar funds.

Synonyms

- Custodial Accounts

D



Drafting Account

Custodial Account established by the Lender for the benefit of Fannie Mae and for which Fannie Mae has authority to transfer funds.

Synonyms

- Drafting 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

PFP MBS

MBS backed by a PFP Mortgage Loan.

S

Servicer

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

Synonyms

- Servicers