



Fannie Mae®

Multifamily Selling and Servicing Guide

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Section 1703 Bulk Deliveries

Requirements

A Bulk Delivery is a Structured Transaction that:

- consists of multiple single-asset MBS Mortgage Loans with the same Sponsor that are governed by a Bulk Delivery Agreement; and
- includes the ability to
 - add Mortgage Loans in the future, or
 - substitute a new Property for an existing Property as collateral.

Product Description	
Minimum Transaction Size	Equals: <ul style="list-style-type: none"> • \$100 million; • \$75 million with at least 3 Properties; or • \$55 million with at least 6 Properties.
Loss Sharing	Must be the same for all Mortgage Loans, regardless of when they are added to the Bulk Delivery.
Loan Structure	<ul style="list-style-type: none"> • Each Property collateralizes 1 Mortgage Loan. • All Mortgage Loans are uncrossed.
Property Ownership	All Borrowers must be Controlled by the same Sponsor.
Fannie Mae Due Diligence Fee	\$1,500 for each Property added or substituted after the Bulk Delivery Agreement effective date.
Additions	Properties may be added for up to 3 years after the Bulk Delivery Agreement effective date.
Substitutions	<ul style="list-style-type: none"> • Each Mortgage Loan may only have 1 Property substitution. • Properties must be: <ul style="list-style-type: none"> - simultaneously released and added; and - substituted only after the first Loan Year until 1 year before the Maturity Date.



Product Description	
Substitution Test	<p>A Property may be substituted if the substitute Property's:</p> <ul style="list-style-type: none">• DSCR is at least the greater of the released Property's<ul style="list-style-type: none">- original DSCR, or- DSCR immediately before the release; and• LTV does not exceed the lesser of the released Property's<ul style="list-style-type: none">- original LTV, or- LTV immediately before the release.
Substitution Fee	<p>On or before the release date, you must collect a fee equal to the greater of</p> <ul style="list-style-type: none">• 50 bps multiplied by the Mortgage Loan's current UPB, or• \$50,000.
Releases	<p>Occur when the Mortgage Loan is</p> <ul style="list-style-type: none">• fully repaid, or• assumed.
MBS Disclosure	<p>All Mortgage Loans must have Additional Disclosure.</p>
Supplemental Mortgage Loans	<p>Mortgage Loans are eligible for Supplemental Mortgage Loans.</p>
Assumptions	<ul style="list-style-type: none">• A Bulk Delivery may be assumed in its entirety.• Each Mortgage Loan may only be assumed after it is released from the Bulk Delivery.

Operating Procedures

You must use

- the Bulk Delivery Agreement, and
- Fannie Mae's Loan Documents.

Fannie Mae may engage outside counsel at your expense to prepare the



Bulk Delivery Agreement or Loan Documents.

You may require the Borrower to

- pay these legal fees, and
- fund a deposit for their payment.



Glossary

A

Additional Disclosure

Information you provide that is published as an addendum to the disclosure documents when an MBS is issued and describes special Security, Mortgage Loan, or Property characteristics or terms that differ from those described in the standard Multifamily MBS Prospectus.

Synonyms

- Additional Disclosures
- Special Disclosure

B

Borrower

Person who is the obligor per the Note.

Synonyms

- Borrowers
- Borrower's

Bulk Delivery

Structured Transaction that:

- is governed by a Bulk Delivery Agreement; and
- includes the ability to
 - add Mortgage Loans in the future, or
 - substitute a new Property for an existing Property as collateral.

Synonyms

- Bulk Deliveries

Bulk Delivery Agreement

Agreement evidencing the terms and conditions of a Bulk Delivery.

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

Loan Year

Period beginning on the date of the Note and ending on the last day of the month that is 12 full months after the date of the Note, and each successive 12-month period thereafter.

Synonyms

- Loan Years

M

Maturity Date

Date all amounts due and owing under the Mortgage Loan become fully due and payable per the Loan Documents.

Synonyms

- Maturity Dates

MBS

Mortgage-Backed Security

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
- Mortgage Loan's

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

S

Sponsor

Principal equity owner and/or primary decision maker of the Borrower (often the Key Principal or the Person Controlling the Key Principal).

Synonyms

- Sponsors
- Sponsor's

U

UPB

Unpaid Principal Balance