



Fannie Mae®

Multifamily Selling and Servicing Guide

Effective as of November 15, 2024

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206.01 Fannie Mae Form Loan Documents

For Mortgage Loans originated using Fannie Mae published Note forms, the Borrower's monthly payments must be applied in the following order:

- any delinquent interest (other than interest attributable to the default interest rate);
- any delinquent principal;
- interest for the current month at the Gross Note Rate;
- principal for the current month;
- reimburse the Servicer or Fannie Mae for any T&I payments;
- reimburse the Servicer or Fannie Mae for any delinquency resolution costs, attorney fees, Appraisal fees, environmental assessment costs, or PCA costs;
- reimburse the Servicer or Fannie Mae for any payments to protect the Property;
- late charges;
- default interest;
- T&I Custodial Account deposits; and
- Collateral Agreement Custodial Account deposits.



Glossary

A

| | |
|-----------|---|
| Appraisal | Written statement independently and impartially prepared by a qualified Appraiser stating an opinion of the Property's market value <ul style="list-style-type: none">• as of a specific date, and• supported by the presentation and analysis of relevant market information. |
| | Synonyms <ul style="list-style-type: none">• Appraisals• Appraisal's |

B

| | |
|----------|--|
| Borrower | Person who is the obligor per the Note. |
| | Synonyms <ul style="list-style-type: none">• Borrowers• Borrower's |

C

| | |
|----------------------|--|
| Collateral Agreement | Agreement granting a security interest in Mortgage Loan collateral not covered by the Security Instrument. |
| | Synonyms <ul style="list-style-type: none">• Collateral Agreements |

| | |
|-------------------|--|
| Custodial Account | Accounts established by the Servicer for depositing P&I payments, T&I funds, Collateral Agreement deposits, and other similar funds. |
| | Synonyms <ul style="list-style-type: none">• Custodial Accounts |

G

| | |
|-----------------|---|
| Gross Note Rate | Interest rate stated in the Loan Documents. |
|-----------------|---|



N

Note Instrument evidencing a Mortgage Loan obligation, including

- Form 6010 series,
- any other Fannie Mae-approved note, and
- all applicable
 - addenda,
 - schedules, and
 - exhibits.

Synonyms

- Notes

P

Property Multifamily residential real estate securing the Mortgage Loan, including the

- fee simple or Leasehold interest,
- Improvements, and
- personal property (per the Uniform Commercial Code).

Synonyms

- Properties
- Property's

S

Servicer Primary Person servicing the Mortgage Loan, including

- the originator,
- seller, or
- a third party.

Synonyms

- Servicers
- Servicer's

T



T&I Custodial Account

Custodial Account for the deposit of T&I and other impound escrow funds.

Synonyms

- T&I Custodial Accounts