



Fannie Mae®

Multifamily Selling and Servicing Guide

Effective as of November 15, 2024

No portion of this Multifamily Selling and Servicing Guide may be reproduced in any form or by any means without Fannie Mae's prior written permission, except as may be provided herein or unless otherwise permitted by law. Limited permission to reproduce this Multifamily Selling and Servicing Guide in print, in whole or in part, and limited permission to distribute electronically parts of this Multifamily Selling and Servicing Guide, are granted to Fannie Mae-approved Lenders strictly for their own use in originating and selling multifamily Mortgage Loans to, and servicing multifamily Mortgage Loans for, Fannie Mae. Fannie Mae may revoke this limited permission by sending 60 days advance written notice to any or all Fannie Mae-approved Lenders.



TABLE OF CONTENTS

Part V Section 209.04 Additional Requirements for Monthly Remittance for Security	
Transactions	3
209.04A Amount of Security Monthly Remittance	3
209.04B Security Interest Distribution Amount	3
GLOSSARY	4



209.04 Additional Requirements for Monthly Remittance for Security Transactions

209.04A Amount of Security Monthly Remittance

The Security monthly remittance is the total of the Security Interest Distribution and Security Principal Distribution Amounts. For each month, the Security monthly remittance must include the scheduled principal payment due on the first day of that month plus a full month's interest (calculated at the Security Pass-Through Rate) due in arrears for the previous month. It also may include unscheduled prepayments of principal.

The Servicer is required to pass through to Fannie Mae in each Security monthly remittance, the full scheduled amounts of P&I, regardless of whether such amounts actually have been collected from the Borrower. A full month's interest (calculated at the Security Pass-Through Rate) must be included in each Security monthly remittance, regardless of whether there has been any partial or full prepayment during the month.

209.04B Security Interest Distribution Amount

The Security Interest Distribution Amount due is based on the Security Balance remaining after application of the scheduled Mortgage Loan payment due on the first of the previous month. For example, the Security Interest Distribution Amount due on November 18 would be based on the Security Balance remaining after application of the scheduled Mortgage Loan payment due on October 1 (not November 1).



Glossary

B

Borrower Person who is the obligor per the Note.

Synonyms

- Borrowers
- Borrower's

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
- Mortgage Loan's

P

P&I Principal and interest

Pass-Through Rate Mortgage Loan Gross Note Rate minus the Guaranty Fee, minus the Servicing Fee.

Principal Person who owns or controls specified interests in the Borrower per Part I, Chapter 3: Borrower, Guarantor, Key Principals, and Principals, Section 303: Key Principals, Principals, and Guarantors.

Synonyms

- Principals

S



Security

MBS, PFP MBS, or REMIC.

Synonyms

- Securities

Security Balance

For an MBS Pool, the Issue Date Principal Balance minus any MBS principal distribution amounts included in previous MBS monthly remittances.

Synonyms

- Security Balances

Servicer

Primary Person servicing the Mortgage Loan, including

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

Synonyms

- Servicers
- Servicer's