Fannie Mae®

Multifamily Selling and Servicing Guide

Effective as of November 16, 2026

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 210.04 Full Prepayment for Cash Transactions and PFP MBS 3
210.04A Confirming the Full Prepayment Payoff Amount 3
210.04B Reporting Full Prepayment Payoff Amount 4
210.04C Remitting Full Prepayment Payoff Amount 5
GLOSSARY 6

© 2026 Fannie Mae. Trademarks of Fannie Mae.

210.04 Full Prepayment for Cash Transactions and PFP MBS

210.04A Confirming the Full Prepayment Payoff Amount

1. Calculating the Full Prepayment Payoff Amount

To obtain Fannie Mae's confirmation of the full prepayment payoff amount, the Servicer must either submit a written statement detailing all amounts that it believes will be due and payable by the Borrower on the prepayment date or submit the information through the Payoff Calculator, including:

- the UPB of the Mortgage Loan (as of the prepayment date);
- all accrued and to-be accrued interest, broken down into the net interest portion due to Fannie Mae (calculated at the Pass-Through Rate) and the portion to be retained by the Servicer as a Servicing Fee, calculated as if the payoff is occurring on the last day of the month in which the prepayment is occurring;
- any unpaid late fees, if applicable;
- any Prepayment Premium that is due in connection with the full prepayment, broken down into the portions due to Fannie Mae and the Servicer, respectively; and
- any other amounts due under the Note, Security Instrument, or any other Mortgage Loan Document, including, if applicable, any unpaid fee due under any Collateral Agreement.

2. Fannie Mae Will Not Confirm Nor Is Responsible for Amounts Owing to Servicer

Fannie Mae is not responsible for confirming any amounts owed to the Servicer at the time of the prepayment (e.g., any administrative fees due for services performed by the Servicer under a Collateral Agreement); however, the Servicer's payoff statement must clearly denote any such amounts so that Fannie Mae can distinguish them from amounts due exclusively to Fannie Mae. The Servicer is solely responsible for ensuring that any payoff quote given to the Borrower includes any amounts that are owed exclusively to the Servicer, as Fannie Mae will not reimburse the Servicer for such amounts from any of the funds that the Borrower remits to cover the amounts confirmed as being due to Fannie Mae.

3. Fannie Mae Confirmation of Full Prepayment Payoff Amount for Primary Risk Mortgage Loans

Fannie Mae will review the Servicer's figures and contact the Servicer to reconcile any discrepancies. Upon completion of its review and any necessary reconciliation, Fannie Mae will respond in writing to the

Servicer's verification request. In its response, Fannie Mae will confirm the total payoff amount due to Fannie Mae, as well as the individual items comprising such total amount, including:

- the UPB of the Mortgage Loan;
- the net accrued interest due Fannie Mae;
- any applicable Prepayment Premium (broken down into the portions due to Fannie Mae and the Servicer); and
- any previously unpaid fees or other amounts owed to Fannie Mae.

Fannie Mae will provide any pertinent instructions for completing the prepayment payoff process, including any specific instructions that the Servicer must include in its payoff quote to the Borrower.

4. No Quote to Borrower until Fannie Mae Confirmation for Primary Risk Mortgage Loans

To ensure that the Borrower is quoted the correct payoff amount, including any applicable accrued interest, Prepayment Premium, late fees, or other amounts that might be owed under the terms of the Note, the Security Instrument, or the other Mortgage Loan Documents, the Servicer must not quote a final payoff amount to the Borrower without first obtaining Fannie Mae's confirmation of the accuracy of the Servicer's figures.

5. Fannie Mae Confirmation of Full Prepayment Payoff Amount for Secondary Risk Mortgage Loans

Unless the Lender's Contract provides otherwise, Fannie Mae will not review the Servicer's payoff calculation for Secondary Risk Mortgage Loans. The Servicer is solely responsible for ensuring that any payoff quote given to the Borrower includes all amounts that are owed to Fannie Mae and to the Servicer.

6. Servicer Liability

Whether confirmed by Fannie Mae through the Payoff Calculator or the payoff calculation is performed by the Servicer, the Servicer is required to collect all amounts owing by the Borrower on a Mortgage Loan payoff. If Fannie Mae determines that Servicer has provided the Borrower incorrect information because of an error in the calculation of the payoff quote, the Servicer will be responsible for any shortfall and must remit all amounts due to Fannie Mae whether or not it has collected such amounts from the Borrower.

210.04B Reporting Full Prepayment Payoff Amount

1. Full Prepayment Payoff Amount Received on First Business Day of Month

Notwithstanding anything to the contrary above, any full prepayment of a Mortgage Loan from or on behalf of a Borrower that is received by the Servicer on the first Business Day of a month will be deemed received in the prior calendar month for purposes of reporting and remitting such full prepayment.

2. Full Prepayment Reported through the eServicing System Due By 2nd Day of Month

The full prepayment must then be reported electronically to Fannie Mae through the eServicing System. The report of the full payment must be transmitted in time to reach Fannie Mae by the 2nd calendar day of the month following the month of prepayment.

210.04C Remitting Full Prepayment Payoff Amount

1. Using Pass-Through Rate to Calculate Remittance to Fannie Mae

The Servicer must use the Pass-Through Rate to calculate its P&I remittance to Fannie Mae. After collecting payoff proceeds, calculated in the manner described above at the Gross Note Rate, the Servicer must subtract its Servicing Fee, calculated using a per diem rate based on the interest accrual method provided for in the Loan Documents.

2. Remittance Due on Remittance Date

The Servicer must remit the prepayment amount on the Remittance Date in the month after the prepayment occurs per the remittance requirements in this Chapter.

Glossary

B

Borrower	Person who is the obligor per the Note. **Synonyms** • Borrowers • Borrower's
Business Day	Any day other than a • Saturday, • Sunday, • day when Fannie Mae is closed, • day when the Federal Reserve Bank of New York is closed, or • for any MBS and required remittance withdrawal, day when the Federal Reserve Bank is closed in the district where any of the MBS funds are held. **Synonyms** • Business Days

C

Collateral	Property, Personal Property, or other property securing a Mortgage Loan.
Collateral Agreement	Agreement granting a security interest in Mortgage Loan collateral not covered by the Security Instrument. **Synonyms** • Collateral Agreements

G

Gross Note Rate	Mortgage Loan interest rate stated in the Loan Documents.

L

Lender	Person Fannie Mae approved to sell or service Mortgage Loans. **Synonyms** • Lenders • Lender's
Lender Contract	Program Documents per the Multifamily Selling and Servicing Agreement. **Synonyms** • Lender’s Contract • Lender Contracts • Contract • Multifamily Selling and Servicing Agreement • MSSA
Loan Documents	All Fannie Mae-approved documents evidencing, securing, or guaranteeing the Mortgage Loan. **Synonyms** • Loan Document • Mortgage Loan Document • Mortgage Loan Documents

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

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

P&I	Principal and interest
Pass-Through Rate	Mortgage Loan Gross Note Rate minus: • for MBS Mortgage Loans, the Guaranty Fee, minus the Servicing Fee; and • for Cash Mortgage Loans, the Servicing Fee.
Prepayment Premium	For a Mortgage Loan prepayment, amount the Borrower must pay in addition to the prepaid principal and accrued interest per the Loan Documents. **Synonyms** • Prepayment Premiums
Primary Risk Mortgage Loan	Mortgage Loan where Fannie Mae bears all losses or you and Fannie Mae share losses. **Synonyms** • Primary Risk Mortgage Loans • Primary Risk

R

Remittance Date	The 18th day of each month (or the preceding Business Day if the 18th is not a Business Day) on which you must submit your remittance to Fannie Mae for the Mortgage Loan.

S

Secondary Risk Mortgage Loan	Mortgage Loan where you bear all losses until your recourse obligation is exhausted. **Synonyms** • Secondary Risk Mortgage Loans • Secondary Risk • Top Loss
Security	MBS, PFP MBS, or REMIC. **Synonyms** • Securities
Security Instrument	Instrument creating a lien or encumbrance on 1 or more Properties and securing the Loan Document obligations. **Synonyms** • Security Instruments • Security Instrument's
Servicer	Primary Person servicing the Mortgage Loan, including • the originator, • seller, or • a third party. **Synonyms** • Servicers • Servicer's

Servicing Fee	Fee a Servicer receives for collecting payments, managing operational procedures, and assuming your portion of credit risk for a Mortgage Loan, and which may be expressed as a percentage. **Synonyms** • Servicing Fees

U

UPB	Unpaid Principal Balance **Synonyms** • UPBs