



# Multifamily Selling and Servicing Guide

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## **107.01B** Payment of Fees

### **1. Collection from Borrower**

In addition to invoicing and collecting from the Borrower the Bond Scheduled Payments (or P&I payment on any Credit Enhancement Mortgage Loan), and other amounts owing, the Servicer is responsible for collecting all payments due from the Borrower in accordance with the terms and conditions of the Reimbursement Agreement, Loan Agreement, and other Loan Documents, including the following:

- reimbursement of all amounts disbursed by Fannie Mae under either:
  - its Credit Enhancement Instrument or its MBS issued as Credit Enhancement; and
  - the Loan Documents evidencing or securing the Credit Enhancement Mortgage Loan or any other Collateral Agreement for the Bonds;
- the Facility Fee and the Activity Fee;
- all amounts required to be paid by Borrower to fully replenish the PRF following any use of funds in the PRF by the Bond Trustee;
- any Prepayment Premium or other Termination Fee payable by the Borrower with the prepayment of a Credit Enhancement Mortgage Loan; and
- any other fees, expenses, or reimbursements required to be made by the Borrower under the Reimbursement Agreement.

### **2. Calculate Amounts Owing**

The Servicer must immediately invoice the Borrower upon receipt from Fannie Mae of the information the Servicer requires to calculate amounts owing from the Borrower under the Reimbursement Agreement or any other Loan Agreement evidencing or securing the Credit Enhancement Mortgage Loan. Upon receipt from the Borrower, the Servicer must remit the funds to the appropriate parties in accordance with the timing and terms of the Reimbursement Agreement or the applicable Loan Document.

### **3. Notification of Fannie Mae Advanced Funds**

Fannie Mae will notify the Servicer on or after each date on which Fannie Mae disburses funds, of the amount disbursed, under any:

- Credit Enhancement Instrument;
- Loan Document evidencing or securing a Credit Enhancement



Mortgage Loan or any other Collateral Agreement for Bonds; or

- Credit Enhancement for any Interest Rate Hedge, including any Swap Collateral Agreement, Interest Rate Swap Credit Enhancement Instrument, or Interest Rate Swap Credit Support Annex.

#### **4. Collection from Borrower of Fannie Mae Advanced Funds**

The Servicer must collect from the Borrower and immediately remit to Fannie Mae funds equal to:

- the amount provided by Fannie Mae in connection with any Credit Enhancement Mortgage Loan or any Credit Enhancement for an Interest Rate Hedge; and/or
- the Activity Fee with respect to the related Credit Enhancement Mortgage Loan, to the extent that the Borrower does not fully reimburse Fannie Mae by 2:00 p.m. Eastern Time, on the date on which Fannie Mae provided the funds in connection with such Credit Enhancement Mortgage Loan or such Credit Enhancement for an Interest Rate Hedge.



## Glossary

### A

**Activity Fee** For Bond Credit Enhancements, see Part XIV of the DUS Guide.

### B

**Bond Trustee** Trustee for a Credit Enhancement Instrument.

**Bonds** Tax-exempt or taxable multifamily revenue bonds, or other tax-exempt or taxable bonds, issued to finance 1 or more Credit Enhancement Mortgage Loan Properties.

#### **Synonyms**

- Bond

**Borrower** Person who is the obligor under the Note.

#### **Synonyms**

- Borrowers
- Borrower's

### C

**Collateral Agreement** Agreement under which collateral (other than the Property) may be pledged, transferred, or otherwise provided to secure the Borrower's obligations under a Mortgage Loan.

#### **Synonyms**

- Collateral Agreements



## Credit Enhancement Instrument

Agreement between Fannie Mae and a Bond Trustee where Fannie Mae provides credit enhancement of a Credit Enhancement Mortgage Loan, Bonds issued to finance a Credit Enhancement Mortgage Loan, or an Interest Rate Hedge Agreement; and if applicable, a Bond liquidity facility.

### **Synonyms**

- Credit Enhancement Instruments

## Credit Enhancement Mortgage Loan

Mortgage Loan underwritten and serviced by the Lender and financed by the issuance of Bonds where Fannie Mae is providing a Credit Enhancement Instrument.

### **Synonyms**

- Credit Enhancement Mortgage Loans

## **F**

### Facility Fee

For Bond Credit Enhancements, per Part XIV of the DUS Guide.

## **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

## **M**

### MBS

Mortgage-Backed Security

## **P**

### P&I

Principal and interest



**Prepayment Premium** When a Mortgage Loan prepayment is made, amount required to be paid by the Borrower in addition to the principal amount being prepaid and accrued interest per the related Loan Documents.

**Synonyms**

- Prepayment Premiums

**PRF** Principal Reserve Fund for Bond Credit Enhancements, see Part XIV of the DUS Guide.

**Synonyms**

- Principal Reserve Fund

**R**

**Reimbursement Agreement** For Bond Credit Enhancements, see Part XIV of the DUS Guide.

**S**

**Scheduled Payments** Bond Credit Enhancements, see Part XIV of the DUS Guide.

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

**Synonyms**

- Servicers