



Multifamily Selling and Servicing Guide

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Chapter 2 Streamlined Rate Lock

Section 201 General

The Lender may enter into a Rate Lock and obtain a Commitment prior to completing full underwriting of a Mortgage Loan by using the Streamlined Rate Lock option described in this Chapter. The Streamlined Rate Lock is available for both (i) MBS Mortgage Loans with either the Multifamily Trading Desk or a Third Party MBS Investor, or (ii) Cash Mortgage Loans with the Multifamily Trading Desk. The Lender must underwrite, originate, commit, and deliver Streamlined Rate Lock Mortgage Loans in accordance with the standards, timeframe, and requirements of the Guide, except as expressly modified by Fannie Mae or this Chapter.

201.01 Eligible Mortgage Loans

A Mortgage Loan that is secured by a Property that meets the occupancy requirements set forth in [Part II, Chapter 1: Attributes and Characteristics, Section 104: Minimum Occupancy](#) is eligible to use the Streamlined Rate Lock option. The following Mortgage Loan types are not eligible to use the Streamlined Rate Lock option:

- Adjustable Rate Mortgage Loans (ARM Loans); and
- Structured ARM Loans.

The Streamlined Rate Lock option may be used for (i) Green Rewards Mortgage Loans, and (ii) Green Mortgage Loans secured by a Property with a Fannie Mae-recognized Green Building Certification after the Lender has:

- received a Property Condition Assessment with an HPB Module (or a separate HPB Report) which projects that the agreed-upon Energy- and Water-Efficiency Measures will achieve the reduction in annual energy or water consumption required to qualify as a Green Rewards Mortgage Loan by [Part II, Chapter 4: Inspections and Reserves, Section 403: Completion/Repairs](#); or
- reviewed and approved any required Green Building Certification prior to Rate Lock.

If the Lender has not received (i) the Property Condition Assessment with an HPB Module (or a separate HPB Report) confirming that the Property will qualify as a Green Rewards Mortgage Loan, or (ii) any required Green Building Certification, the Streamlined Rate Lock option may still be used if the Lender:



- discloses to each Investor that the Lender intends to deliver the MBS Mortgage Loan as a “Green MBS”; and
- requests the Fannie Mae Deal Team to provide the Lender with an alternative quote for the Guaranty Fee Rate and Servicing Fee Rate to be included in the Gross Note Rate if, upon the completion of full underwriting, the Property fails to qualify as a Green Mortgage Loan.

201.02 Pre-Review Mortgage Loans

For a Pre-Review Mortgage Loan, the Lender must obtain authorization from the Fannie Mae Deal Team prior to proceeding with a Streamlined Rate Lock.

201.03 Commitment Terms

201.03A Rate Lock Period; Delivery Timing

- The Rate Lock Period for a Streamlined Rate Lock Mortgage Loan may not exceed 180 days.
- A Streamlined Rate Lock Mortgage Loan must be delivered to Fannie Mae within 30 days after the Mortgage Loan Origination Date.

201.03B Minimum Rate Lock Amount for Trades with the Multifamily Trading Desk; Dual Commitment Option

For Cash and MBS Trades with the Multifamily Trading Desk, the Lender must follow the procedures for entering into a Rate Lock set forth in [Part IV A, Chapter 3: Committing](#), except that the Lender has the option to rate lock less than the fully anticipated amount of the Mortgage Loan, but not less than 75% of the anticipated Mortgage Loan amount.

If the Lender anticipates that it will be utilizing the Dual Commitment Option, the Lender must notify the Multifamily Trading Desk at the time of the original Rate Lock.

201.03C Commitment Modifications

The Settlement Date and Commitment Expiration Date may only be extended after the Lender has fully underwritten the Streamlined Rate Lock Mortgage Loan as described in [Part IV B, Chapter 2: Streamlined Rate Lock, Section 204: The Lender’s Determination after Completion and Review of the Full Underwriting Package](#). For MBS Mortgage Loans or Cash Mortgage Loans with the Multifamily Trading Desk, any extension of the Streamlined Rate Lock must be approved by the Multifamily Trading



Desk, and may be subject to additional fees. Any Mortgage Loan with an initial Rate Lock Period in excess of 180 days, or any Rate Lock extension that would cause the total Rate Lock Period to exceed 180 days, the Lender must also contact the Fannie Mae Deal Team for approval before seeking the extension (e.g., no extension is permitted for a Mortgage Loan with an initial Rate Lock Period in excess of 150 days without the approval of the Fannie Mae Deal Team).

The Lender may negotiate an extension of the Settlement Date with the Third Party MBS Investor, provided that the extension does not exceed more than 30 days beyond the original Settlement Date. Any approved extension request (a) may require adjustment to the locked interest rate, as determined by the Third Party MBS Investor; and (b) may require Lender to pay any fees charged by the Third Party MBS Investor.

Any approved modification of the Streamlined Rate Lock or Commitment must be done in accordance with [Part IV A, Chapter 3: Committing, Section 305: Commitment Terms and Procedures](#).

201.04 Basic Streamlined Rate Lock Mortgage Loan Requirements

201.04A General

For all Streamlined Rate Lock Mortgage Loans, the Lender must:

- comply with all applicable Required Practices set forth in [Part IV A, Chapter 3: Committing, Section 302: Requirements for Rate Lock and Commitment](#);
- comply with the Preliminary Streamlined Mortgage Loan Underwriting requirements described in [Part IV B, Chapter 2: Streamlined Rate Lock, Section 202: Preliminary Underwriting Requirements](#); and
- complete full underwriting and update the underwriting documentation for the Streamlined Rate Lock Mortgage Loan no later than the earlier of (i) the Mortgage Loan Origination Date, or (ii) 90 days after the date on which the Lender enters into the Streamlined Rate Lock.

201.04B Good Faith Deposit

Prior to obtaining a Streamlined Rate Lock, the Lender must collect a Good Faith Deposit from the Borrower. The Lender may not spread the lien of the existing Security Instrument to secure the Good Faith Deposit in lieu of cash or a letter of credit.

201.04C Delivery Tolerance



Except as provided in [Part IV B, Chapter 2: Streamlined Rate Lock, Section 204.02: Lender Determinations after Full Underwriting](#), the Delivered Mortgage Loan Amount of the Streamlined Rate Lock Mortgage Loan must be within the standard Delivery Tolerance as provided in [Part IV A, Chapter 4: Delivery Procedures – Data, Section 401: General](#).

201.04D Green Mortgage Loans

The Lender must inform the Investor and the Multifamily Trading Desk that:

- the Rate Lock is for a Green Mortgage Loan; and
- underwriting required to qualify the Property as a Green Mortgage Loan has not been completed, including:
 - for a Green Rewards Mortgage Loan, the Lender has not yet received a Property Condition Assessment with an HPB Module (or a separate HPB Report) listing Energy- and Water-Efficiency Measures that project the reduction in annual energy or water consumption required to qualify as a Green Rewards Mortgage Loan; or
 - for a Green Mortgage Loan secured by a Property with a Fannie Mae-recognized Green Building Certification, the Lender has not reviewed and approved the required Green Building Certification prior to Rate Lock.

The Fannie Mae Deal Team must provide the Lender with an alternative Guaranty Fee Rate and Servicing Fee Rate to be included in the Gross Note Rate if, upon the completion of full underwriting, the Property fails to qualify as a Green Mortgage Loan.

Section 202 Preliminary Underwriting Requirements

All underwriting standards and requirements of the Guide are applicable to Streamlined Rate Lock Mortgage Loans, except for the timing and documentation differences described in this Section 202. Prior to obtaining a Streamlined Rate Lock, the Lender must:

- (a) receive an executed Borrower Commitment pursuant to [Part IV A, Chapter 3: Committing, Section 302: Requirements for Rate Lock and Commitment](#) in which the Borrower agrees to close the Streamlined Rate Lock Mortgage Loan and be liable for any costs, fees, or damages associated with the Borrower's failure to originate the Mortgage Loan, as further described in the Streamlined Rate Lock Agreement;
- (b) obtain sufficient preliminary information and



documentation to obtain preliminary approval from the Lender's Loan Committee for the Streamlined Rate Lock Mortgage Loan and the Streamlined Rate Lock;

(c) receive funds from the Borrower to pay transaction costs and costs of third-party professional reports in accordance with the Lender's requirements;

(d) collect the Minimum Good Faith Deposit pursuant to the terms of [Part IV A, Chapter 3: Committing, Section 304: Good Faith Deposits](#) (the Good Faith Deposit required by a Third Party MBS Investor may be in excess of the Minimum Good Faith Deposit required by Fannie Mae);

(e) complete the following underwriting related to the Borrower, the Key Principal, and the Principal:

1. identify the Borrower, the Key Principals, and the Principals;

2. perform an ACheck review for each Borrower, Key Principal, and Principal; and

3. determine that each Borrower, Key Principal, and Principal is not (a) a "specially designated national and blocked person" on the Specially Designated Nationals List maintained by OFAC; or (b) included on the SCP List.

(f) advise the Borrower:

1. to review and request any modifications to the Fannie Mae standard form multifamily Loan Documents; and

2. that, if the Borrower enters into a Rate Lock of the Mortgage Loan with the Lender and Investor prior to the review and approval by the Lender of all Loan Document modifications requested by the Borrower, approval of any subsequent modifications shall be at the sole discretion of Fannie Mae and the Lender, and any refusal by the Lender shall not constitute a defense of the Borrower to the failure by the Borrower to close the Mortgage Loan in accordance with the Loan Commitment (in the amount of the Rate Lock Loan Amount); and

(g) enter into a Streamlined Rate Lock Agreement among the Borrower, the Key Principal and the Lender in which the Borrower and the Key Principal jointly and severally agree to pay to the Lender, on a full recourse basis, any damages associated with the Borrower's failure to originate the Mortgage Loan, which damages to a Third Party MBS Investor may be in excess of the Minimum Good Faith Deposit required by Fannie Mae.

Section 203 Rate Lock and Full Underwriting



The Lender may obtain a Streamlined Rate Lock by following the rate lock procedures detailed in [Part IV A, Chapter 3: Committing](#), at such time as the Lender has:

(a) completed the preliminary due diligence described in [Part IV B, Chapter 2: Streamlined Rate Lock, Section 202: Preliminary Underwriting Requirements](#) and the preliminary underwriting deemed necessary by the Lender; and

(b) obtained approval from the Fannie Mae Deal Team of all exceptions or modifications identified at the time of the Lender's preliminary underwriting, including all Loan Document modifications.

The Lender must complete full underwriting of the Streamlined Rate Lock Mortgage Loan no later than the earlier of (i) the Mortgage Loan Origination Date, or (ii) 90 days after the date on which the Lender enters into the Streamlined Rate Lock. For Green Mortgage Loans, the Lender must review:

- the PCA Report with an HPB Module (or a separate HPB Report), and confirm that the Borrower has agreed to implement Energy- and Water Efficiency Measures that the HPB Module or HPB Report projects to achieve the reduction in annual energy or water consumption required to qualify as a Green Rewards Mortgage Loan; or
- the required Fannie Mae-recognized Green Building Certification prior to Rate Lock.

The Lender must update all underwriting documentation as of the Mortgage Loan Origination Date in accordance with the underwriting requirements of the Guide.

Section 204 The Lender's Determination after Completion and Review of the Full Underwriting Package

204.01 Full Underwriting

After the Lender has completed full underwriting of the Streamlined Rate Lock Mortgage Loan, the Lender must make 1 of the determinations described in [Part IV B, Chapter 2: Streamlined Rate Lock, Section 204.02: Lender Determinations after Full Underwriting](#).

204.01A Changes to Rate Lock Amount or Commitment Amount

Subject to the terms of [Part IV B, Chapter 2: Streamlined Rate Lock, Section 204.02: Lender Determinations after Full Underwriting](#), no changes may be made to the Rate Lock amount after obtaining a Streamlined Rate Lock or to the Commitment Amount after a Commitment



has been confirmed. All changes to the preliminary Net Operating Income, the Property value, or any other items used to determine the Rate Lock amount must be fully documented in the Folder II submission of the Mortgage Loan Delivery Package.

204.01B Mortgage Loan Delivery Package

The preliminary information and documentation described in [Part IV B, Chapter 2: Streamlined Rate Lock, Section 202: Preliminary Underwriting Requirements](#) must be included in the Mortgage Loan Delivery Package described in [Part IV A, Chapter 5: Delivery Procedures – Documents](#) and must be in a form that will enable Fannie Mae to conduct a post-purchase file review of the information.

In addition, the following must be included in the Lender's final Mortgage Loan Delivery Package Delivered pursuant to [Part IV A, Chapter 5: Delivery Procedures – Documents](#):

- a complete Transaction Approval Memo and underwriting spreadsheets with details on how the Rate Lock amount for the Streamlined Rate Lock Mortgage Loan was calculated, including any required change to the Guaranty Fee Rate and Servicing Fee Rate included in the Streamlined Rate Lock for a non-qualifying Green Rewards Mortgage Loan, as described in [Part IV B, Chapter 2: Streamlined Rate Lock, Section 204.02: Lender Determinations after Full Underwriting](#);
- the calculation of any changes to the Delivered Mortgage Loan Amount; and
- all required underwriting documentation used at the time of full underwriting.

204.02 Lender Determinations after Full Underwriting

After completing the full underwriting and prior to submitting Folder II of the Mortgage Loan Delivery Package to Fannie Mae, the Lender must, based on the results of the full underwriting, determine if the Streamlined Rate Lock Mortgage Loan will be:

- delivered with no changes to the terms of the Streamlined Rate Lock or the Commitment;
- delivered with changes to the terms of the Streamlined Rate Lock or the Commitment; or
- not delivered to Fannie Mae.



204.02A No Change to the Streamlined Rate Lock, or an Increase or Decrease to the Delivered Mortgage Loan Amount within the Delivery Tolerance

The Lender must make Delivery of an eligible Streamlined Rate Lock Mortgage Loan satisfying the terms and conditions of the Streamlined Rate Lock, the Commitment, and the Guide if, after the completion of full underwriting, the Lender determines that:

- no change is necessary to the Streamlined Rate Lock or the Commitment;
- a decrease to the Delivered Mortgage Loan Amount from the Commitment Amount within the Delivery Tolerance (see [Part IV A, Chapter 4: Delivery Procedures – Data, Section 401: General](#)) must be made to conform the Mortgage Loan to the required Pricing and Underwriting Tier; or
- an increase to the Delivered Mortgage Loan Amount from the Commitment Amount within the Delivery Tolerance (see [Part IV A, Chapter 4: Delivery Procedures – Data, Section 401: General](#)) can be made, provided that the Delivered Mortgage Loan Amount must be at the same Pricing and Underwriting at which the Mortgage Loan was underwritten.

Within 1 Business Day after the determining that the Delivered Mortgage Loan Amount will be greater or less than the Commitment Amount but within the Delivery Tolerance, the Lender must submit a data change request in C&D, as described in [Part IV A, Chapter 3: Committing, Section 305: Commitment Terms and Procedures](#), to update the fields that relate to the changed Commitment Amount.

204.02B Changes to the terms of the Streamlined Rate Lock or the Commitment

1. Decrease in the Delivered Mortgage Loan Amount in Excess of the Delivery Tolerance up to 10% of the Commitment Amount.

If after the completion of full underwriting, the Lender determines that the Delivered Mortgage Loan Amount will be less than 95% of the Commitment Amount but greater than 90% of the Commitment Amount, then:

- for Cash and MBS Trades with the Multifamily Trading Desk:
 - Fannie Mae shall accept delivery of the Mortgage Loan in such lesser amount; and
 - the Lender shall owe as liquidated damages, to be paid from the Good Faith Deposit, an amount equal to (i) the difference between 95% of the Commitment Amount and the Delivered Mortgage Loan Amount, multiplied by (ii) the



applicable Good Faith Deposit percentage set forth in [Part IV A, Chapter 3: Committing, Section 304: Good Faith Deposits](#);

- for MBS Trades with a Third Party MBS Investor:
 - the Lender must confirm whether the Third Party MBS Investor will accept delivery of an MBS in a lower amount than that required to meet that Third Party MBS Investor's delivery requirements (but which Third Party MBS Investor's delivery requirements shall not be less than 90% of the Commitment Amount); and
 - send confirmation by the Third Party MBS Investor that the Third Party MBS Investor will accept delivery of the MBS in such lower amount to Multifamily Acquisitions.

Within 1 Business Day after the determining that the Delivered Mortgage Loan Amount will be less than the Commitment Amount and not within the Delivery Tolerance as permitted above, the Lender must submit a data change request in C&D as described in [Part IV A, Chapter 3: Committing, Section 305: Commitment Terms and Procedures](#) to update the fields that relate to the changed Commitment Amount.

2. Increase in the Delivered Mortgage Loan Amount in Excess of the Delivery Tolerance is Justified (Dual Commitment Option).

For Cash and MBS Trades with the Multifamily Trading Desk, the Lender may utilize the Dual Commitment Option set forth in [Part IV B, Chapter 2: Streamlined Rate Lock, Section 205: Dual Commitment Option](#) only if, after the completion of full underwriting, the Lender determines that:

- the Streamlined Rate Lock Mortgage Loan qualifies for additional proceeds in excess of the Delivery Tolerance; and
- the Lender desires to increase the Commitment Amount of the Streamlined Rate Lock Mortgage Loan.

3. Change in the Streamlined Rate Lock for a Non-Qualifying Green Rewards Mortgage Loan.

In addition to any other changes required by this Section, if after determining that the Mortgage Loan will not (a) project the reduction in annual energy or water consumption required to qualify as a Green Rewards Mortgage Loan, or (b) receive the Fannie Mae-recognized Green Building Certification required to qualify as a Green Mortgage Loan, an adjustment to the Streamlined Rate Lock will be required. Within 1 Business Day after such determination, the Lender must:

- prior to originating the Mortgage Loan, (i) notify the Fannie Mae



Deal Team, and (ii) make any necessary changes to the Mortgage Loan amount and Gross Note Rate in the Loan Documents; and

- prior to the Delivery Deadline, submit a data change request in C&D, as described in [Part IV A, Chapter 3: Committing, Section 305: Commitment Terms and Procedures](#), to:
 - update the Gross Note Rate for the Mortgage Loan to include the alternative “non-Green” Guaranty Fee Rate and Servicing Fee Rate provided by the Fannie Mae Deal Team at the time of Rate Lock as a Green Mortgage Loan; and
 - make any required change in the Mortgage Loan amount.

204.02C Waiver to Accept Delivery

If, after the completion of final underwriting, the Lender determines that (i) the Lender cannot make Delivery of the Streamlined Rate Lock Mortgage Loan without a modification to the terms of the Streamlined Rate Lock and the Commitment, and (ii) the Lender still desires to make Delivery of the Streamlined Rate Lock Mortgage Loan with a modification to terms of the Streamlined Rate Lock and the Commitment, the Lender must submit a waiver request explaining the reasons for the proposed modifications to the Streamlined Rate Lock and the Commitment and the rationale for the Lender’s desire for Fannie Mae to accept Delivery of the Streamlined Rate Lock Mortgage Loan. If the waiver request is not approved by Fannie Mae and the Lender cannot otherwise make Delivery of the Streamlined Rate Lock Mortgage Loan without a modification to the terms of the Streamlined Rate Lock and the Commitment, the Lender will be subject to the provisions set forth in [Part IV A, Chapter 5: Delivery Procedures – Documents, Section 501.05: Failure to Deliver: Return of Package](#).

204.02D Non-Delivery of Streamlined Rate Lock Mortgage Loan

After the completion of full underwriting, the Lender may inform Fannie Mae that the Mortgage Loan will not be delivered. In such case, the Lender will be subject to the provisions set forth in [Part IV A, Chapter 5: Delivery Procedures – Documents, Section 501.05: Failure to Deliver: Return of Package](#).

Section 205 Dual Commitment Option

205.01 General

For trades with the Multifamily Trading Desk, the Dual Commitment Option is available to increase the Commitment Amount of the Streamlined Rate Lock Mortgage Loan if the Lender determines that the Property



supports an increase to the Mortgage Loan Amount after completion of full underwriting. If the Lender anticipates using the Dual Commitment Option, the Lender must notify the Multifamily Trading Desk at the time of the original Rate Lock. If the Dual Commitment Option is used, the Delivery Tolerance may not be used to increase the Mortgage Loan amount after the completion of full underwriting of the Streamlined Rate Lock Mortgage Loan.

205.02 Obtaining Additional Proceeds

If the Lender uses the Dual Commitment Option, the Lender must contact the Multifamily Trading Desk to request a quote and indicate:

- that the quote is associated with the original Rate Lock for a Streamlined Rate Lock Mortgage Loan; and
- whether the original Rate Lock was for an MBS Mortgage Loan or a Cash Mortgage Loan.

The percentage of the UPB applicable to risk sharing may not be changed from the original Rate Lock. In addition, none of following terms of the original Rate Lock may be changed in C&D:

- Mortgage Loan term;
- Amortization term;
- Prepayment terms;
- Pricing method (the pricing structure as set forth in the Pricing Memo);
- Amortization type (interest payment method);
- Interest accrual method;
- Pricing and Underwriting Tier;
- Commitment date;
- Rate Lock period;
- Commitment Expiration Date; and
- Settlement Date.

No increase to the Good Faith Deposit is required under the Dual Commitment Option. If approved by Fannie Mae, the Multifamily Trading Desk will lock the rate with the Lender pursuant to the provisions of [Part IV A, Chapter 3: Committing, Section 303: Obtaining a Rate Lock](#). Within 1 Business Day after obtaining the Rate Lock from the Multifamily Trading Desk, the Lender must make changes to the Commitment in C&D as follows:

- For an MBS Mortgage Loan, submit a data change request in C&D as described in [Part IV A, Chapter 3: Committing, Section 305: Commitment Terms and Procedures](#) to update



the fields that relate to the changed Commitment Amount. The revised Commitment for such MBS Mortgage Loan replaces the original Commitment.

- For a Cash Mortgage Loan, submit an “Additional Rate Lock” request in C&D (refer to the C&D User Manual). The revised Commitment updates the original Commitment.

The revised Commitment Amount will be the sum of (i) the original Commitment Amount, plus (ii) the Rate Lock amount for the additional loan proceeds. The stated interest rate in the revised Commitment will be the weighted average of the interest rate in the original Rate Lock and the interest rate in the Rate Lock for the additional loan proceeds.



Glossary

B

Borrower Person who is the obligor under the Note.

Synonyms

- Borrowers
- Borrower's

Borrower Commitment Lender's written commitment with the Borrower to originate a Mortgage Loan, and any separate written or oral rate lock agreements between the Lender and the Borrower to rate lock the Mortgage Loan.

Business Day Any day other than a

- Saturday,
- Sunday,
- day on which Fannie Mae is closed,
- day on which the Federal Reserve Bank of New York is closed, or
- for any MBS and any required withdrawal for remittance thereunder, a day on which the Federal Reserve Bank is closed in the district where any funds are held for the MBS.

Synonyms

- Business Days

C

Cash Mortgage Loan Mortgage Loan purchased by Fannie Mae in exchange for cash.

Synonyms

- Cash Mortgage Loans



Commitment Contractual agreement between Fannie Mae and the Lender where Fannie Mae agrees to buy a Mortgage Loan from the Lender at a future date in exchange for an MBS, or at a specific price for a Cash Mortgage Loan, and the Lender agrees to Deliver that Mortgage Loan to Fannie Mae.

Synonyms

- Committed
- Commitments

Commitment Amount Anticipated Mortgage Loan amount per the Commitment.

Commitment Expiration Date Date when a Commitment expires.

Completion/Repairs Immediate Repairs identified by the Property Condition Assessment and required by the Lender to be included in the Completion/Repair Agreement (or a Certificate of Borrower, if applicable).

Synonyms

- Completion/Repair

D

Delivered Mortgage Loan Amount UPB of a Mortgage Loan when it is purchased by Fannie Mae.



Delivery Meeting all of the data delivery requirements in [Part IV A, Chapter 4: Delivery Procedures – Data](#), and submitting an acceptable Mortgage Loan Delivery Package per [Part IV A, Chapter 5: Delivery Procedures – Documents](#). A Mortgage Loan is “Delivered,” when all documents, data, and information are correct, accurate, and able to be certified by Fannie Mae, with all required documents properly completed, executed, and recorded (if applicable), and any deficiencies are resolved to Fannie Mae’s satisfaction.

Synonyms

- Deliver
- Delivered
- Deliveries

Delivery Deadline Per [Part IV A, Chapter 4: Delivery Procedures – Data, Section 401: General for the Delivery of a Mortgage Loan for purchase](#).

Delivery Tolerance Per [Part IV A, Chapter 4: Delivery Procedures – Data, Section 401: General for the Delivery of a Mortgage Loan for purchase](#).

Dual Commitment Option For ERL Mortgage Loans and Streamlined Rate Lock Mortgage Loans that are subject to trades with the Multifamily Trading Desk, the ability of the Lender to increase the Rate Lock Amount of the Mortgage Loan per [Part IV B, Chapter 1: Early Rate Lock](#).

E

Efficiency Measures Energy- and water-efficiency measures that the Borrower agrees to implement, and which project a reduction in the Property’s annual energy or water consumption.

Synonyms

- Efficiency Measure



F

Fannie Mae Deal Team Team responsible for reviewing Pre-Review Mortgage Loans, waivers, etc.

Synonyms

- Deal Team

G

Good Faith Deposit As defined in Part IV A, Chapter 3: Committing, Section 304: Good Faith Deposits.

Synonyms

- Good Faith Deposits

Green Building Certification

Designation awarded by a third-party organization to multifamily properties constructed or maintained to meet specified energy and water efficiency standards or other sustainability criteria.

Green Mortgage Loan

Mortgage Loan secured by a Property that incorporates features expected to have a positive environmental outcome including, but not limited to, reducing energy and water consumption at a Property, generating energy, or meeting criteria set by a third-party green building certification organization.

Synonyms

- Green Mortgage Loans



Green Rewards Mortgage Loan

Mortgage Loan secured by a Property on which the Borrower agrees to undertake 1 or more Energy- and Water-Efficiency Measures (Efficiency Measures or EWEM) that comply with [Part III, Chapter 4: Green Mortgage Loans, Section 403: Green Rewards Mortgage Loans](#).

Synonyms

- Green Rewards Mortgage Loans
- Green Rewards

Gross Note Rate

Interest rate stated in the Loan Documents.

Guaranty Fee Rate

Rate of the Mortgage Loan Guaranty Fee expressed as an annualized percentage.

Guide

Multifamily Selling and Servicing Guide and Delegated Underwriting and Servicing Guide, including any exhibits, appendices, or other referenced forms, as updated, amended, restated, modified, or supplemented by any lender memo; provided, however, if a topic is covered in the Multifamily Selling and Servicing Guide, that Guide shall control unless a Lender Contract specifically requires use of another Guide.

Synonyms

- DUS Guide

H

HPB

High Performance Building

I

Investor

MBS Investor for an MBS Mortgage Loan, or Fannie Mae for a Cash Mortgage Loan.

Synonyms

- Investors



K

Key Principal

Person(s) who control and/or manage the Borrower or the Property, are critical to the successful operation and management of the Borrower and the Property, and who may be required to provide a Guaranty.

Synonyms

- Key Principals

L

Lender

Person approved by Fannie Mae to sell or service Mortgage Loans.

Synonyms

- Lenders
- Lender's

Lender's Loan Committee

Person, committee, or other approving body authorized by the Lender to review and approve real estate financing transactions.

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



MBS Mortgage Loan

Mortgage Loan purchased by Fannie Mae in exchange for an issued MBS backed by the Mortgage Loan.

Synonyms

- MBS Mortgage Loans

Minimum Good Faith Deposit

Amount you are required to collect when originating a Mortgage Loan per [Part IV A, Chapter 3: Committing, Section 304: Good Faith Deposits](#).

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 Delivery Package

Loan Documents and underwriting material required in connection with the Delivery of a Mortgage Loan.

Mortgage Loan Origination Date

Date the Lender funds a Mortgage Loan to the Borrower.

Synonyms

- Mortgage Loan's Origination Date
- Origination Date

Multifamily Acquisitions

Team that can be contacted at mf_acquisitions@fanniemae.com.

Multifamily Trading Desk

Team that quotes interest rate pricing for a Mortgage Loan and can be contacted at (888) 889-1118.

N



Net Operating Income On an annual basis or any specified period, the total Effective Gross Income minus the Property's operating expenses.

Synonyms

- NOI

O

OFAC U.S. Treasury Department, Office of Foreign Assets Control.

P

PCA Report Property Condition Assessment Report documenting the findings of a PCA.

Pre-Review Mortgage Loan Mortgage Loan that is not delegated to the Lender and requires Fannie Mae's approval before Rate Lock.

Pricing and Underwriting Tier Tier 1, Tier 2, Tier 3, or Tier 4 per the Multifamily Underwriting Standards (Form 4660).

Pricing Memo Applicable DUS Pricing Memo or non-DUS Pricing Memo communicating pricing for various products and features to Lenders.

Synonyms

- Pricing Memos

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



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

Property Condition Assessment Assessment of the current physical condition and historical operation of the Property.

Synonyms

- PCA
- PNA
- Physical Needs Assessment
- PCAs

R

Rate Lock Agreement between the Lender and the Investor containing the terms of the Lender-Arranged Sale or Multifamily Trading Desk trade of the Mortgage Loan and the MBS terms and conditions relating to the underlying MBS, if applicable, which may be documented via a recorded telephone conversation.

Synonyms

- Rate Locks

Rate Lock Period Time from Rate Lock execution through the Settlement Date.

Required Practices Required practices for committing and delivering Mortgage Loans.

S



SCP List FHFA's Suspended Counterparty Program list located at www.fhfa.gov.

Security Instrument Instrument creating a lien or encumbrance on 1 or more Properties and securing the obligations under the Loan Documents.

Servicing Fee Rate Rate of the Servicing Fee for the Mortgage Loan, expressed as an annualized percentage.

T

Third Party MBS Investor MBS Investor for an MBS Mortgage Loan that is not the Multifamily Trading Desk.

U

UPB Unpaid Principal Balance