



Multifamily Selling and Servicing Guide

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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.



Glossary

B

Borrower Person who is the obligor under the Note.

Synonyms

- Borrowers
- Borrower's

C

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 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 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 <ul style="list-style-type: none">• DUS Guide

H

HPB	High Performance Building
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I

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

- Investors

L

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

- Lenders
- Lender's

M



MBS	Mortgage-Backed Security
MBS Mortgage Loan	<p>Mortgage Loan purchased by Fannie Mae in exchange for an issued MBS backed by the Mortgage Loan.</p> <p>Synonyms</p> <ul style="list-style-type: none">• MBS Mortgage Loans
Mortgage Loan	<p>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.</p> <p>Synonyms</p> <ul style="list-style-type: none">• Mortgage Loans
Mortgage Loan Origination Date	<p>Date the Lender funds a Mortgage Loan to the Borrower.</p> <p>Synonyms</p> <ul style="list-style-type: none">• Mortgage Loan's Origination Date• Origination Date
Multifamily Trading Desk	<p>Team that quotes interest rate pricing for a Mortgage Loan and can be contacted at (888) 889-1118.</p>
P	
Pre-Review Mortgage Loan	<p>Mortgage Loan that is not delegated to the Lender and requires Fannie Mae's approval before Rate Lock.</p>
Property	<p>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).</p> <p>Synonyms</p> <ul style="list-style-type: none">• 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

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.