



Fannie Mae®

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# Multifamily Selling and Servicing Guide

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## **210.05C** Remitting Full Prepayment Payoff Amount

Under MBS, the Servicer must remit a full month's accrued interest (calculated at the MBS Pass-Through Rate) for each month that the MBS is outstanding, even if a full or partial prepayment occurs during that month. Any shortfall between the interest collected from the Borrower and the full month's interest that is due to Fannie Mae must be deposited in the Servicer's MBS P&I Custodial Account from the Servicer's own funds and remitted to Fannie Mae. The Servicer must also remit a full month's Guaranty Fee for each month that the MBS is outstanding, even if a full or partial prepayment occurs during that month.

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



# Glossary

## B

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

**Synonyms**

- Borrowers
- Borrower's

## G

**Guaranty Fee** Fee retained by Fannie Mae for credit enhancing a Mortgage Loan or assuming credit risk on a Mortgage Loan, and which may be expressed as a percentage.

**Synonyms**

- Guaranty Fees

## M

**MBS** Mortgage-Backed Security

## P

**P&I Custodial Account** Custodial Account for principal and interest deposits.

**Synonyms**

- P&I Custodial Accounts

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

## 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



## Servicer

Primary Person servicing the Mortgage Loan, including

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

### **Synonyms**

- Servicers
- Servicer's