Fannie Mae®

Multifamily Selling and Servicing Guide

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218.03E Substitute Collateral

On or before the Defeasance Close Date, the Borrower must deliver to the Servicer a Defeasance Pledge Agreement (Form 4529), creating a perfected security interest in the substitute collateral in favor of Fannie Mae.

Glossary

B

Borrower	Person who is the obligor per the Note. **Synonyms** • Borrowers • Borrower's

C

Collateral	Property, Personal Property, or other property securing a Mortgage Loan.

D

Defeasance	Transaction where a Property is released from the lien of the Security Instrument and the Lender receives a valid and perfected lien and security interest in substitute collateral acceptable to Fannie Mae and the cash flows thereunder.
Delivery	Submission of all correct, accurate, and certifiable documents, data, and information with all applicable documents properly completed, executed, and recorded as needed, and any deficiencies resolved to Fannie Maes satisfaction. **Synonyms** • Deliver • Delivered • Deliveries

S

Security	MBS, PFP MBS, or REMIC. **Synonyms** • Securities

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Servicer	Primary Person servicing the Mortgage Loan, including • the originator, • seller, or • a third party. **Synonyms** • Servicers • Servicer's

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