



# Multifamily Selling and Servicing Guide

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## **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

## 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](#).

## **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	<p>As defined in <a href="#">Part IV A, Chapter 3: Committing, Section 304: Good Faith Deposits</a>.</p> <p><b>Synonyms</b></p> <ul style="list-style-type: none"><li>• Good Faith Deposits</li></ul>
Green Building Certification	<p>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.</p>
Green Mortgage Loan	<p>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.</p> <p><b>Synonyms</b></p> <ul style="list-style-type: none"><li>• Green Mortgage Loans</li></ul>
Green Rewards Mortgage Loan	<p>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 <a href="#">Part III, Chapter 4: Green Mortgage Loans, Section 403: Green Rewards Mortgage Loans</a>.</p> <p><b>Synonyms</b></p> <ul style="list-style-type: none"><li>• Green Rewards Mortgage Loans</li><li>• Green Rewards</li></ul>
Gross Note Rate	<p>Interest rate stated in the Loan Documents.</p>
Guaranty Fee Rate	<p>Rate of the Mortgage Loan Guaranty Fee expressed as an annualized percentage.</p>

## H



HPB High Performance Building

## I

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

### **Synonyms**

- Investors

## L

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

### **Synonyms**

- Lenders
- Lender's

## M

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 Origination Date Date the Lender funds a Mortgage Loan to the Borrower.

### **Synonyms**

- Mortgage Loan's Origination Date
- Origination Date

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

## P





**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

**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.