



Multifamily Selling and Servicing Guide

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Section 306 Delivery Procedures

In order to ensure that a Mortgage Loan is timely purchased by Fannie Mae as required in this Chapter, the Lender must meet the minimum timing requirements at all stages of the delivery process, including submission of all required data via MSFMS and C&D (as applicable), and delivery of all required documentation. If the Lender does not satisfy all Delivery requirements, the Lender may be subject to the provisions of [Part IV A, Chapter 5: Delivery Procedures – Documents, Section 501.05: Failure to Deliver: Return of Package](#).

For Structured Transactions, Delivery requires completion of the following 5 steps:

Step 1: submission of deal participant and collateral data via MSFMS;

Step 2: electronic delivery of Property and underwriting related documents (the Delivery Documents as required under Folder II, as described in the Multifamily Mortgage Loan Delivery Package Table of Contents) via DocWay;

Step 3: for Structured ARM Loans, submission of Interest Rate Hedge data;

Step 4: certification of executed Structured Transaction Loan Documents; and

Step 5: submission of pool and loan information via MSFMS for MBS Mortgage Loans or via C&D for Cash Mortgage Loans.

306.01 Deal Participant and Collateral Data Delivery (Step 1)

306.01A Submission of Data

The Lender is responsible for entering and submitting the deal participant data and the collateral data (property and underwriting data) into MSFMS for all Mortgage Loans delivered in connection with a Structured Transaction. For MBS Mortgage Loans, the deal participant and collateral data is submitted separately from, and in advance of, the submission of pool and Mortgage Loan data in MSFMS (Step 5 above).

The Lender must complete a deal participant page in MSFMS, and submit all required data, for each Borrower, Key Principal, and Sponsor (who may be the same as the Key Principal), and any Principals. Upon submission of such data, MSFMS will automatically run the ACheck process, which is in addition to, and not a replacement for, the ACheck process required to be completed by the Lender pursuant to [Part I, Chapter 3: Borrower, Guarantor, Key Principals, and Principals, Section 307:](#)



Applicant Experience Check.

The Lender must complete a “collateral” page in MSFMS, and submit all required data, for each Property, including the “eRents” data submission. Following submission of such data, MSFMS will reflect the collateral status as “submitted.”

306.01B Timing

For all Mortgage Loans in a Structured Transaction, the Lender must submit the deal participant and collateral data in MSFMS no later than 5:00 p.m. Eastern Time 10 Business Days prior to (and not including):

- the purchase date for Cash Mortgage Loans; and
- the Book-Entry Date for MBS Mortgage Loans.

306.02 Underwriting Documents (Step 2)

Contemporaneously with submission of the deal participant and collateral data in MSFMS, as required in [Part IV B, Chapter 3: Structured Transactions, Section 306.01: Deal Participant and Collateral Data Delivery \(Step 1\)](#) of this Chapter, the Lender must also submit Folder II via DocWay as required in [Part IV A, Chapter 5: Delivery Procedures – Documents, Section 501: General](#). The Lender must create the DocWay folder for the Structured Transaction by utilizing the MSFMS Deal ID (adding zeros, if necessary, before the MSFMS Deal ID to create the required 6-digit number).

After the Lender has submitted deal participant and collateral data in MSFMS and delivered the Folder II documents via DocWay, Fannie Mae will review the submission. If the submission is acceptable, the Multifamily Certification and Custody Team will change the status of the Property on the Collateral Page in MSFMS to “accepted pending delivery.”

306.03 Interest Rate Hedge (Step 3)

306.03A Timing of Hedge Acquisition

An Interest Rate Hedge is required for each Structured ARM Loan. The Borrower must enter into an Interest Rate Hedge Agreement with a Fannie Mae-approved provider meeting the requirements of [Part III, Chapter 12: Structured Adjustable Rate Mortgage \(SARM\) Loans, Section 1205: Interest Rate Caps](#), in time to ensure entry of the hedge data (as described in [Part IV B, Chapter 3: Structured Transactions, Section 306.03B: Hedge Data](#)) into MSFMS no later than:

- for Structured ARM Loans that are MBS Mortgage Loans: 7 Business Days prior to (and not including) the Book-Entry



Date of the MBS; or

- for Structured ARM Loans that are Cash Mortgage Loans: 5 Business Days prior to (and not including) Fannie Mae's purchase of the Mortgage Loan.

306.03B Hedge Data

Prior to submission of the pool and Mortgage Loan data in MSFMS (Step 5 above), the Lender must enter and submit the Interest Rate Hedge data in MSFMS via the "hedge" tab. To do so, the Lender must select the "hedge" tab, create a new hedge, and enter the appropriate data. After the required data has been entered, the Lender must submit the hedge data to Fannie Mae for review. Fannie Mae will compare the submitted data to the Interest Rate Hedge Agreement. If any discrepancies are noted, Fannie Mae will unlock the "hedge" tab and notify the Lender of corrections that must be made. If no discrepancies are noted, Fannie Mae will change the status from "submitted" to "active" to activate the hedge in MSFMS.

306.04 Certification of Structured Transaction Loan Documents (Step 4)

306.04A Credit Facilities

Following the Lender's origination of a Mortgage Loan in connection with a Credit Facility, the Lender must deliver all Loan Documents to Fannie Mae's designated outside counsel for certification, at least 5 Business Days prior to (and not including) the applicable certification date set forth below:

- for MBS Mortgage Loans, the documents must be certified at least 7 Business Days prior to (and not including) the Book-Entry Date; and
- for Cash Mortgage Loans, the documents must be certified at least 5 Business Days prior to (and not including) the date of purchase by Fannie Mae.

Fannie Mae's designated outside counsel will deliver the final, certified Credit Facility Loan Documents to Fannie Mae. The Lender and the Lender's counsel must work with Fannie Mae's outside counsel to ensure that all Credit Facility Loan Documents are complete and properly executed in advance of delivery to Fannie Mae.

306.04B Bulk Deliveries

Following the Lender's origination of a Mortgage Loan in connection with a Bulk Delivery, the Lender must deliver all Loan Documents to Multifamily Certification and Custody for certification, as specified in [Part IV A, Chapter 5: Delivery Procedures – Documents, Section 501](#):



General, at least 5 Business Days prior to (and not including) the applicable certification date set forth below:

- for MBS Mortgage Loans, the documents must be certified at least 7 Business Days prior to (and not including) the Book-Entry Date; and
- for Cash Mortgage Loans, the documents must be certified at least 5 Business Days prior to (and not including) the date of purchase by Fannie Mae.

306.05 Pool and Mortgage Loan Data Submission (Step 5)

After completing Steps 1 through 4 as described above, Multifamily Structured Acquisitions will change the collateral status to “active” in MSFMS and the Lender may then complete Step 5, the submission of pool and Mortgage Loan data.

306.05A MBS Mortgage Loans

1. Data Submission

For each MBS Mortgage Loan in a Structured Transaction, the Lender must create an MBS Pool in MSFMS no later than 7 Business Days prior to (and not including) the Book-Entry Date of the MBS. Once the MBS Pool is created, the Lender will receive in MSFMS the Fannie Mae Pool Number and the CUSIP number that uniquely identifies the MBS Pool for book-entry purposes.

After the MBS Pool is created, the Lender must complete the necessary fields on the “pool” and the “loan” pages in MSFMS, including the appropriate Plan Number in the case of an ARM Loan. Prior to submitting MBS Pool data, the Lender must address all MSFMS system business rules by “validating” the data which will identify any “errors” or discrepancies between the entered data and the allowable terms. The Lender must submit the MBS Pool data necessary for securitization, via MSFMS, no later than 5:00 p.m. Eastern Time at least 5 Business Days prior to (and not including) the Book-Entry Date.

For MBS Mortgage Loans, the Lender must comply with the provisions of [Part IV A, Chapter 4: Delivery Procedures – Data, Section 401: General](#), regarding the first scheduled monthly payment date of the Mortgage Loan.

2. Correcting Data Submissions

If the Lender believes that a discrepancy or “error” message generated by MSFMS is related to a waiver that Fannie Mae has approved or if the Lender believes the data to be correct, instead of changing the system status to “submitted,” the Lender must change the system status to



“submit for review,” and provide an explanation of the issue. Multifamily Structured Acquisitions will review the submission, and either override the “error,” or return the MBS data submission to the Lender for correction. If returned to the Lender for correction, the Lender must revise the MBS data accordingly and then change the system status to “submitted.”

After the status of the MBS data in MSFMS is “submitted,” if the Lender has made an error or otherwise believes that the submitted data is incorrect, the Lender must submit a request to revise the data in MSFMS via e-mail to Multifamily Structured Acquisitions with the following subject line: “Deal Name - MSFMS Data Change Request.”

3. Wiring and Delivery Instructions; Purchase

On the Book-Entry Date, Fannie Mae will issue and deliver the MBS electronically through the Federal Reserve book-entry system in accordance with the wiring instructions provided by the Lender in MSFMS. The wiring instructions cannot be changed in MSFMS after the MBS has been submitted for securitization, so the Lender’s MSFMS submission must include complete and accurate wiring instructions for the Security as well as the correct amount to be wired.

Fannie Mae’s purchase of MBS Mortgage Loans originated in connection with Structured Transactions will be governed by the provisions of [Part IV A, Chapter 6: Purchase Procedures](#), except that the funding path and timing for MBS Mortgage Loans are as described in Funding Path (Part IV B, Section 306.05.A.4).

4. Funding Path

The Lender may submit wiring instructions in MSFMS for delivery of the MBS via the Federal Reserve book-entry system either to the Lender’s own account or to the account of the Lender’s designee. In a separate transaction (not via MSFMS), the Lender or the Lender’s designee will then deliver the MBS to the MBS Investor, also via the Federal Reserve book-entry system. The Federal Reserve will simultaneously credit the MBS Investor’s account with the MBS, debit the MBS Investor’s account for cash, and credit the MBS proceeds to the Lender.

The Lender may also opt to submit wiring instructions for delivery of the MBS directly to the MBS Investor’s account. In such event, upon receipt of the MBS, the MBS Investor will wire payment to the Lender in accordance with previously agreed terms.

If the transaction is a trade with the Multifamily Trading Desk, Fannie Mae will match the MBS to the trade and will wire the funds directly to the Lender in accordance with previously agreed terms. The MBS will be assigned directly to Fannie Mae on the Book-Entry Date. To arrange for this type of settlement, the Lender must select “CSTD” from the “Special Delivery Instructions” dropdown on the “MBS Pool” page in MSFMS at the time the MBS Pool is delivered.



306.05B Cash Mortgage Loans

1. Data Submission

For Cash Mortgage Loans originated in connection with a Structured Transaction, the Lender must submit the required data in C&D no later than 10:30 a.m. Eastern Time at least 5 Business Days prior to (and not including) the purchase date in accordance with the requirements of [Part IV A, Chapter 4: Delivery Procedures – Data](#), except that:

- **Collateral Page:** The only data required for a Cash Mortgage Loan is the property data entered at the time of commitment. No additional data needs to be entered on this page at the time of submission of the Mortgage Loan for purchase by Fannie Mae. Instead, the complete property and underwriting data, including the “eRents” submission, is entered into MSFMS.
- **Hedge Page:** Instead of completing the “hedge” tab in C&D, the Lender must enter hedge data into MSFMS as required in [Part IV B, Chapter 3: Structured Transactions, Section 306.03: Interest Rate Hedge \(Step 3\)](#).

2. Payee Codes; Purchase

In accordance with the requirements set forth in [Part IV A, Chapter 4: Delivery Procedures – Data, Section 401: General for Cash Mortgage Loans](#), the Lender must include the Fannie Mae “payee” code associated with the specific Lender account at the receiving institution.

Except as otherwise indicated in this Chapter, Cash Mortgage Loans originated in connection with a Structured Transaction are purchased by Fannie Mae in accordance with the provisions of [Part IV A, Chapter 6: Purchase Procedures](#).

The MSFMS Deal ID, which is entered into both C&D and MSFMS by the Lender, will link the Structured Transaction in the 2 Fannie Mae systems.



Glossary

A

Applicant Experience Check

Lender due diligence for the Borrower, Key Principal, and Principal using the ACheck application.

Synonyms

- ACheck

B

Book-Entry Date

Calendar date a Security is delivered by Fannie Mae via the Federal Reserve book-entry system to the applicable Investor's designated book-entry account at a depository institution.

Synonyms

- Book-Entry Delivery Date
- Settlement Date

Borrower

Person who is the obligor under the Note.

Synonyms

- Borrowers
- Borrower's

Bulk Delivery

Structured Transaction that:

- is governed by a Bulk Delivery Agreement; and
- includes the ability to
 - add Mortgage Loans in the future, or
 - substitute a new Property for an existing Property as collateral.

Synonyms

- Bulk Deliveries

C



Cash Mortgage Loan	<p>Mortgage Loan purchased by Fannie Mae in exchange for cash.</p> <p>Synonyms</p> <ul style="list-style-type: none">• Cash Mortgage Loans
Collateral	<p>Property, Personal Property, or other property securing a Mortgage Loan.</p>
Credit Facility	<p>Structured Transaction that</p> <ul style="list-style-type: none">• is governed by a Master Credit Facility Agreement, and• includes cross-collateralized and cross-defaulted Mortgage Loans and Properties. <p>Synonyms</p> <ul style="list-style-type: none">• Credit Facilities
CUSIP	<p>Committee on Uniform Securities Identification Procedures 9-digit security identification number required for the book-entry system and assigned by Fannie Mae to identify the MBS Pool.</p>
D	
Delivery	<p>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.</p> <p>Synonyms</p> <ul style="list-style-type: none">• Deliver• Delivered• Deliveries



DocWay Business-to-business electronic documentation delivery application, or any successor system.

F

Fannie Mae Pool Number Number assigned by Fannie Mae identifying an MBS Pool.

G

Guarantor Key Principal or other Person who executes a Payment Guaranty, a Non-Recourse Guaranty, or any other guaranty in connection with the Mortgage Loan.

Synonyms

- Guarantors

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



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 Investor For MBS Mortgage Loans, either a Third Party MBS Investor for Lender-Arranged Sales, or the Multifamily Trading Desk.

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

Synonyms

- MBS Mortgage Loans

MBS Pool MBS Security backed by MBS Mortgage Loans.

Synonyms

- MBS Pools

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

MSFMS Multifamily Structured Facilities Management System performing collateral delivery and securitization functions for Structured Transactions.



MSFMS Deal ID Number assigned by MSFMS at the time a Structured Transaction is registered.

Multifamily Mortgage Loan Delivery Package Table of Contents [Form 6502](#) or another Fannie Mae-approved Table of Contents for a Mortgage Loan Delivery Package.

Multifamily Structured Acquisitions Team that can be contacted at mf_spot@fanniemae.com.

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

P

Plan Number Number identifying the applicable loan characteristics for any Mortgage Loan that accrues interest at a variable rate at any time during the loan term.

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

S

Security MBS, PFP MBS, or REMIC.

Sponsor Principal equity owner and/or the primary decision maker of the Borrower (often the Key Principal or the Person Controlling the Key Principal).



Structured Transaction
Loan Documents

Documentation executed in connection with a Structured Transaction, including a Master Credit Facility or Bulk Delivery Agreement, an Interest Rate Hedge Agreement, and all other Loan Documents required by Fannie Mae.