



# Multifamily Selling and Servicing Guide

Effective as of August 1, 2019

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**704.01A** Notice to Fannie Mae of Payment Default

Using the Multifamily Delinquency System, the Servicer must advise Fannie Mae of a Payment Default or a Performance Default on or before the 17th day of the month (or on the next Business Day if the 17th is not a Business Day) in which the Payment Default occurs or is discovered.



## Glossary

### B

Business Day	<p>Any day other than a</p> <ul style="list-style-type: none"><li>• Saturday,</li><li>• Sunday,</li><li>• day on which Fannie Mae is closed,</li><li>• day on which the Federal Reserve Bank of New York is closed, or</li><li>• for any MBS and any required withdrawal for remittance thereunder, a day on which the Federal Reserve Bank is closed in the district where any funds are held for the MBS.</li></ul> <p><b>Synonyms</b></p> <ul style="list-style-type: none"><li>• Business Days</li></ul>
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### P

Payment Default	<p>Failure of a Borrower to pay when due and in full any payment required for the Mortgage Loan, including, but not limited to, principal, interest, late charges, default interest, fees, prepayment premium, escrows, or other collateral accounts for taxes, insurance premiums, and assessments, other collateral accounts, and the Replacement Reserve.</p> <p><b>Synonyms</b></p> <ul style="list-style-type: none"><li>• Payment Defaults</li></ul>
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Performance Default	<p>Failure of a Borrower to perform any promise or covenant within any applicable grace periods under the related Mortgage Loan other than a failure that constitutes a Payment Default.</p> <p><b>Synonyms</b></p> <ul style="list-style-type: none"><li>• Performance Defaults</li></ul>
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### S



## Servicer

Primary Person responsible for servicing the Mortgage Loan (e.g., the originator, the selling Lender, or a third-party servicer).

### **Synonyms**

- Servicers