

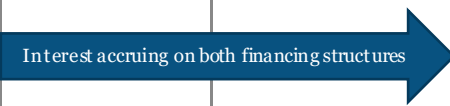
# M.TEB Lender Job Aid

## How To: Register, Price, Commit, Close and Deliver

What is a Fannie Mae Multifamily M.TEB Mortgage Loan?

Fannie Mae Multifamily-issued MBS held as collateral for multifamily housing bonds issued as either (1) refunding bonds, or (2) new issues.

### TIMELINE FOR LENDER COMMITMENT TO MBS SECURITIZATION

Day [1]	Day [5-6]	Day [7-9]	Day [8-10]	Day [10-12]	Day [12-15]	Day [20-23]
<ul style="list-style-type: none"> <li>Lender underwriting completed</li> <li>Preliminary Official Statement (POS) mailed</li> <li>Fannie Mae/ Lender POS Disclosure</li> </ul>	<ul style="list-style-type: none"> <li>Bond Pricing (subject to Bond Underwriter timing)</li> <li>Bond Purchase Agreement executed</li> <li>Fannie MBS Commitment issued</li> </ul>	<ul style="list-style-type: none"> <li>Official Statement (OS)<sup>1</sup> mailed</li> </ul>	<ul style="list-style-type: none"> <li>Bond and Real Estate Pre-closing (all executed documents delivered into escrow)</li> </ul>	<ul style="list-style-type: none"> <li>Loan Origination by Lender, deposit of loan proceeds with Trustee</li> <li>Issuance and sale of bonds</li> </ul>	<ul style="list-style-type: none"> <li>Loan Documents delivered to Fannie for MBS delivery<sup>2</sup></li> </ul> <p><b>DELIVERY DEADLINE</b> The submission of error free data and documents requires 7 business days prior to Book Entry Date/Security Issuance</p>	<ul style="list-style-type: none"> <li>MBS issuance and delivery to Trustee</li> <li>Trustee releases cash collateral to Lender, paying off Lender's original loan</li> </ul>
						
				<b>Lender's loan secured by mortgage Bonds secured by cash collateral (proceeds of Lender's loan)</b>		<b>Bonds Secured by MBS</b>

#### Job Aid Guidance

- [DUS Gateway - 2](#)
- [Bond Pricing/MBS Rate Lock - 3](#)
- [C&D Commitment - 4](#)
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#### COST OF ISSUANCE

#### REIMBURSEMENT OPTION

Up to **75bps**

Refer to DUS Gateway™ instructions on page 2.

If there are any questions with regards to these instructions, please reach out to your Fannie Mae Deal Team.

<sup>1</sup> For the final OS the Lender shall provide the final terms of the Loan which are included in Annex A attached to the Fannie Mae Prospectus relating to the MBS and which will be generally in the same format as the information provided to Fannie Mae when ordering the MBS. The proposed form of the Additional Disclosure Addendum to be included in the Fannie Mae Prospectus for the MBS will be attached to the OS with a note that it will be substantially the same as the Additional Disclosure Addendum attached to the Fannie Mae MBS Prospectus if the MBS was delivered on the day of the Bond Closing. The MBS with the incorporation of the terms and provisions provided by the Lender at the time the MBS is ordered which will be included in the Annex A attached to the Fannie Mae prospectus relating to the MBS, will be delivered to the Bond Trustee. Opinions and Disclosure certificates are not provided by Fannie Mae in regular MBS transactions. To the extent there are issues, the Bond Trustee will be able to exercise the rights against Fannie Mae as the MBS owner for any improper disclosure, enforceability on other issues. Fannie Mae, if requested, will provide a limited disclosure certificate regarding the Additional Disclosure Addendum and the link to the form Fixed Rate Fannie Mae Prospectus.

<sup>2</sup> Subject to Lender/Lender Counsel timing.



Status

Lender

Registration

**Deal Detail - Deal Overview Screen**  
 Execution Type = BCE and MBS  
 Submission Type = Pre-Review (4660)

**Deal Detail - Property Screen**  
 MAH = Yes

Submission

**Pre-Review and/or Waiver Edits Screen**  
 Lender Delegated = No  
 Category = Pricing/Fees  
 Sub-Category = M.TEB Cost of Issuance (COI) reimbursement  
 Descriptor = None

**Steps for Optional  
 Cost of Issuance  
 Reimbursement**

**NOTE:**  
 Lender must still  
 submit all other  
 applicable Pre-  
 Review conditions  
 and/or waivers.

Quote

Standard Process

Under App

**Note:** Complete these actions in DUS Gateway after the loan has been delivered via Fannie Mae's acquisition systems.

**Upload Deal Documents Screen**  
 Document Name = M.TEB COI Invoice  
 Document Category = Transaction Decision  
 Document Type = Transaction Decision - Other

**Upload Deal Documents Screen**  
 Document Name = Settlement Statement  
 Document Category = Transaction Decision  
 Document Type = Transaction Decision - Other

**Chatter**  
 If the Cost of Issuance reimbursement is requested, Chatter the Deal Team when the reimbursement request is ready for review. Lender will receive reimbursement within 30 days.



## Bond Pricing/ MBS Rate Lock

**M.TEB  
Specific  
Information**

### MBS TRADE

Lender does not trade the MBS; instead the Bond Underwriter finds buyers for the bonds, and the interest rate at which the bonds are sold is the MBS Pass-Through Rate.

### PREPAYMENT TERMS

The prepayment premium terms for the benefit of the bondholders, such as yield maintenance, as a result an optional prepayment of the mortgage loan need to be included in the mortgage loan. Generally, the bond underwriters follow a similar structure for bond prepayment as regular MBS transactions (yield maintenance from origination to six months prior to the mortgage loan maturity date).

But since bond prepayment premium and mortgage loan prepayment premium are different, the mortgage loan can have prepayment premium requirements during the period in which the bonds are open to prepayment at par. For example, prepayment of the mortgage loan during the period from six to three months prior to the mortgage loan maturity date may require payment of a premium equal to 1% of the mortgage loan UPB. Fannie Mae and the lender can also require payment of fee maintenance (on the guaranty and servicing fees) in connection with a mortgage loan prepayment that is made during the period in which the bonds may be redeemed at par.

### BOND UNDERWRITER MARKETING MATERIALS

The Lender and Fannie Mae counsel provide the following information to the Bond Underwriter in order to prepare the POS necessary to market the bonds:

- Fannie Mae counsel will provide the form of additional disclosure addendum and the electronic link to the then-current Multifamily MBS Prospectus.
- Lender will provide information regarding the mortgage loan and MBS for the POS and OS. Refer to Fixed Rate immediate example below.

### LENDER NOTIFICATION OF BOND PRICING

On the day the bonds are priced, the Bond Underwriter will communicate to the Lender the interest rate at which the bonds will be sold.

Provides information similar to Annex A attached to the MBS Prospectus delivered with the MBS, edited for purposes of the OS.

Preliminary Offering Statement	Official Statement
<b>Pool Statistics</b>	
Issuance Principal Balance	Same
Security Maturity Date <i>anticipated</i>	Same
Term to Maturity (months)	Same
Security Funds Transfer Type "Wire"	Same
Security Type "MBS"	Same
Seller Name	Same
Servicer Name	Same
<b>Loan Information</b>	
Pool Issue Date <i>anticipated</i>	Same
Loan Maturity Date <i>anticipated</i>	Same
Lien Priority	Same
Balloon Y/N	Same
Original Note Rate <i>anticipated</i>	Same
Original Principal Balance	Same
Issuance Principal Balance	Same
Prepayment Lockout Term (months)	Same
Prepayment Premium End Date <i>anticipated</i>	Same
Lock Out Period (dates from/to), <i>if applicable</i>	Same
Yield Maintenance Period (dates from/to), <i>if applicable</i>	Same
Fee Maintenance Period (dates from/to), <i>if applicable</i>	Same
Prepayment Premium during Fee Maintenance Period	Same
First Payment Date <i>anticipated</i>	Same
Original Amortization Term (Months)	Same
Interest Type	Same
Interest Accrual Method	Same
Interest Only End Date <i>anticipated</i>	Same
Interest Only Term (Months)	Same
Note Date <i>anticipated</i>	Same
Loan Purpose	



## Commitment

### COMMITMENT DETAILS SCREEN

“Investor Price (%)” = 100%

“Trader (Investor)” = The holder of the original bond, typically the bond trustee

### PREPAYMENT PROTECTION TYPE SCREEN

The prepayment provisions for the transaction will likely require explanation. Reach out to your Fannie Mae Deal Team to discuss the input in this section if you have any questions

### COMMITMENT INFORMATION SCREEN

Additional Disclosure = Select Yes

Additional Disclosure Seller Contact Name

### COMMITMENT INFORMATION SCREEN

Additional Disclosure Comments – shall include:

- MBS as Bond Collateral (This helps ensure Fannie Mae Legal uses the correct Prospectus Supplement Narrative)
- Deal-specific items identified in Fannie Mae Form 4098 (Additional Disclosure Guidance) and/or Fannie Mae Approval Memo
  - Nonstandard open prepayment periods (If applicable)

**Commitment Details**

+ Types of Commitment Variances/Waivers

- Non-Delegated Insurance Waivers
- Non-Delegated Legal Waivers
- Other Guide Waivers
- Underwriting Standards Variances
- None

Commitment Amount (\$) +

Check box if **Large Loan**

Check box if **ASAP**

POC?

**Investor Price (%)** +

**Interest Only?** +

# of months

**Original Term of Loan (months)** +

**Est. LTV at Commitment (%) (Combined if Supplemental)** +

**Cross Default / Cross Collateralize** +

If Crossed, Crossed Group ID:

**Current Interest Rate (%)** +

**Guaranty Fee Rate (%)** +

**Date of Trade (mm/dd/yyyy)** +

**Trader (Investor)** +

**Prepayment Protection Type and Defeasance**

+ Please select from the list below. Selection of Other P

Select Loan Term / Yield Maintenance Term...

Other Prepayment & Defeasance Options

- Fixed+1
- DUS Plus Mezzanine
- Standard Yield Maintenance 10/9.5
- Standard Yield Maintenance 30/15
- Standard Yield Maintenance 7/6.5
- Standard Yield Maintenance 15/14.5
- Standard Yield Maintenance 18/15
- Standard Yield Maintenance 5/4.5
- Standard Yield Maintenance 20/19.5
- Standard Yield Maintenance 25/15
- Standard Yield Maintenance 10/7
- Standard Yield Maintenance 5/3
- Standard Yield Maintenance 7/5
- Standard Yield Maintenance 30/10
- Standard Yield Maintenance 15/10
- Standard Yield Maintenance 18/10
- T+ Yield Maintenance 10/9.5
- T+ Yield Maintenance 7/6.5
- T+ Yield Maintenance 5/4.5
- T+ Yield Maintenance 10/7
- T+ Yield Maintenance 7/5
- T+ Yield Maintenance 5/3

**Additional Disclosure? (Definition)** +

**Additional Disclosure Seller Contact Name**

**Additional Disclosure Comments**

**Additional Disclosure Seller Contact E-mail**



## Loan Documentation

**M.TEB Specific Information**

**BOND/LOAN DOCUMENTS**  
Lender should ensure that the Bond Documents indicate the responsible party for the Issuer and Trustee fees. The loan should look and be serviced like any other MBS transaction. The Mortgage Loan payment covers only the MBS Pass-Through Rate, Fannie Mae’s guaranty fee and the Lender’s servicing fee.

**CERTIFICATE FOR THE BOND PURCHASE**  
The Lender will be asked to sign a Certificate attached to the Bond Purchase Agreement, certifying that the mortgage loan information provided is correct.

**FINANCING AGREEMENT**  
The Lender will be asked to sign the Financing Agreement. This is an agreement between the Trustee, Issuer and Lender in which the Lender agrees to originate the mortgage loan consistent with the agreed upon terms.

**AMORTIZATION SCHEDULE**  
The Lender will be asked to prepare an amortization schedule. This schedule is to be based on the MBS loan parameters and given to the Bond Underwriter who then makes sure the bonds match up to the loan. (Interest rate is bond rate plus guaranty and servicing fees.)

**FANNIE MAE LOAN DOCUMENTS**  
Lender will document the transaction using the most current forms of Fannie Mae documents along with required M.TEB-specific modifications that will be provided by Fannie Mae counsel.

## Loan Closing

**M.TEB Specific Information**

**BOND/LOAN TIMING**  
It is preferable for the bonds/loan to be closed within 10 days prior to the desired MBS issuance date. However, the MBS will be subject to Same Month Pooling if the MBS issuance date is in the same month as the bond/loan closing.

**LOAN FUNDING**  
The Lender must fund the full loan amount to the Trustee at closing. Lender cannot hold back any funds for any fees, closing costs, etc. Those fees and costs must be funded by the Borrower from another source and wired to the Lender at closing. If there are bond proceeds remaining at closing that are to be used for the property’s rehabilitation, those funds will be held by the Trustee. These funds can only be released to the Borrower with approval from the Lender.

**REHAB FUNDS**  
All rehabilitation funds other than those held by the Trustee must be held by the Lender in the Rehabilitation Reserve. In addition, any future pay-ins from the Equity Investor must be deposited into the Rehabilitation Reserve.



## Delivery

### LOAN SCREEN

Special Feature Code = 832 (MBS as Bond Collateral)

### WIRING INSTRUCTIONS SCREEN

Special Delivery Instructions = “None” instead of CSTD or ASAP. The MBS may be delivered to the Bond Trustee directly or to the Lender and the Lender will deliver the MBS to the Trustee.

**Note:** *Lender needs to set this up if they have not done this before.*

**Note:** *The prepayment provisions for the transaction will likely require explanation. Reach out to your Fannie Mae Deal Team for assistance.*

**Special Feature Codes (User Selectable)**

- 232 - MF Small Loan NY Initiative
- 237 - Aggregation
- 238 - Green Rewards
- 284 - Multifamily 2MBS/DUS 1st
- 285 - Multifamily 2MBS/DUS 2nd
- 344 - Tax Assessed Value
- 411 - DUS Bond (aka DUS FASIT)
- 584 - Rural Housing - Section 515
- 585 - Rural Housing
- 632 - MF Negotiated Transaction with Standard DUS Loan Loss Sharing (Affordable) Cash and MBS
- 642 - MF Negotiated Transaction with Standard DUS Loan Loss Sharing (Market Rate) Cash and MBS
- 678 - Loans with 5 year extensions
- 697 - Community Lending Affordable
- 710 - Micro Loans Community Lending
- 711 - Refi Plus Product
- 757 - Solar Rewards
- 809 - Multifamily Community Lending - Participation Certificates
- 812 - MF REO Seller Financing
- 817 - Multifamily Pre-stabilization Loan
- 832 - Multifamily MBS as Bond Collateral
- 834 - MF Mortgage Credit Enhancement
- 836 - Multifamily Performance Differentiation Loan
- 837 - Reduced Occupancy Affordable Rehabilitation (ROAR)
- 845 - Healthy Homes
- 860 - Enhanced Residential Services
- 912 - Multifamily Rental Assistance Demonstration
- 914 - Multifamily Near Stabilized Loans
- 916 - Mod Rehab Supplemental

**Transaction Errors (Select all applicable)**  **Associated Loan**

**Wiring Instructions**

**Bailee Letter?** +

**Special Delivery Instructions** +

**Bank Name** +

**ABA ID** +