



Fannie Mae®

Committing & Delivery of Unfunded Forwards

Multifamily Acquisitions





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Note: Click on the relevant section in the Contents table above to be navigated there.

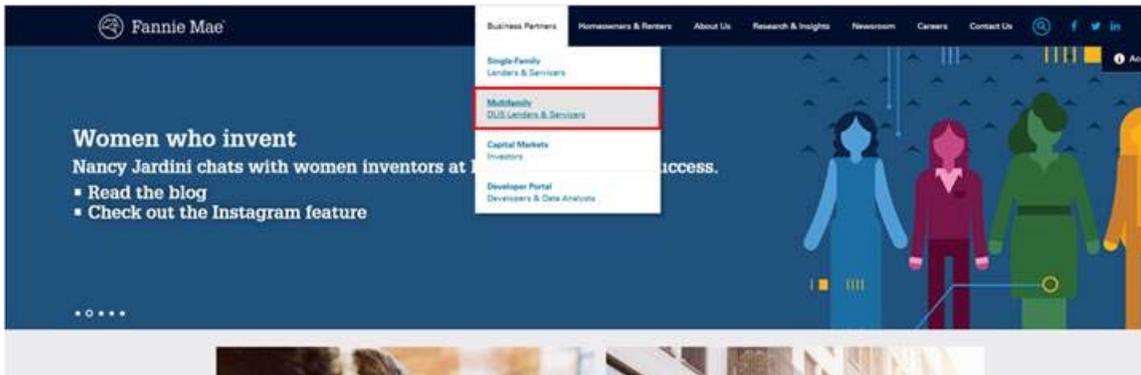


Committing Process

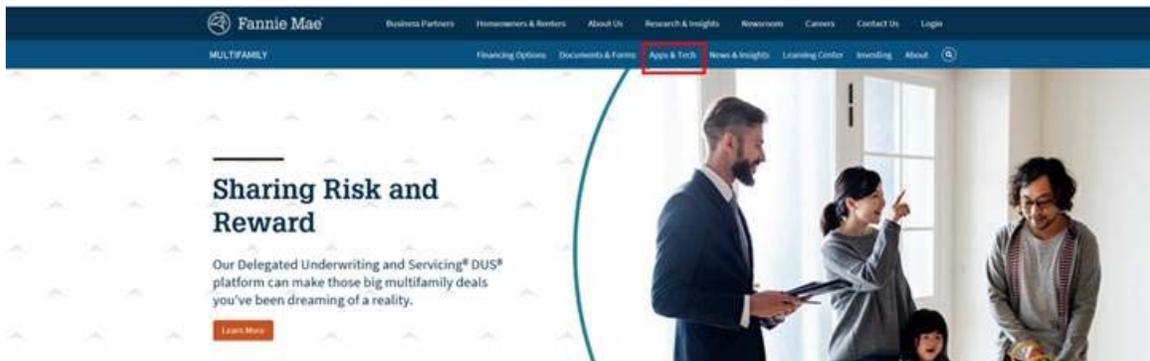
The commitment process section will detail how to navigate to C&D™ and register a deal within the application. It will also give step-by-step instructions on completing a commitment for an Unfunded Forward of an MBS, Cash or Credit Enhancement Execution Type as well as converting the forwards to a permanent commitment.

Navigating to C&D

1. Go to Fannie Mae's website: <http://www.fanniemae.com/portal/index.html>
Click on the "Business Partners" dropdown then select "Multifamily."

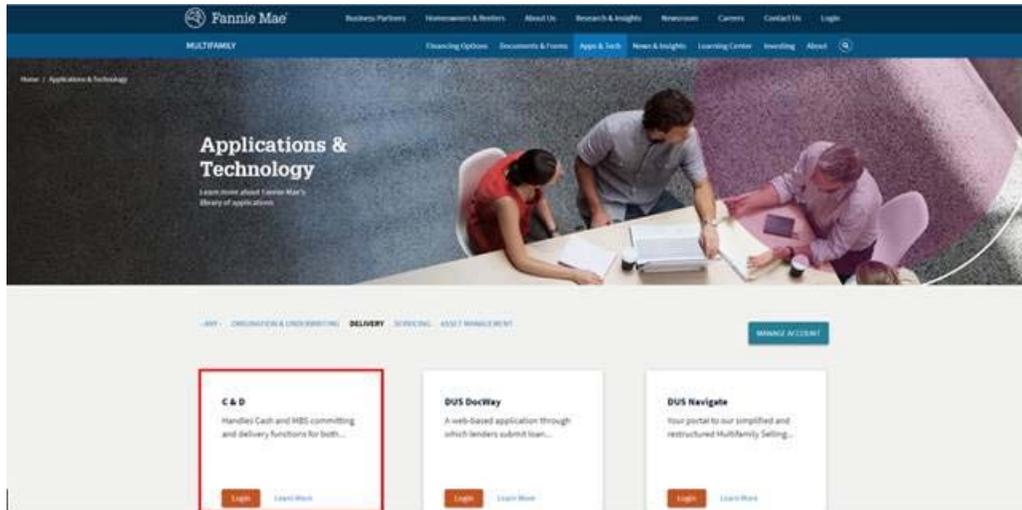


2. Click on Apps & Tech.



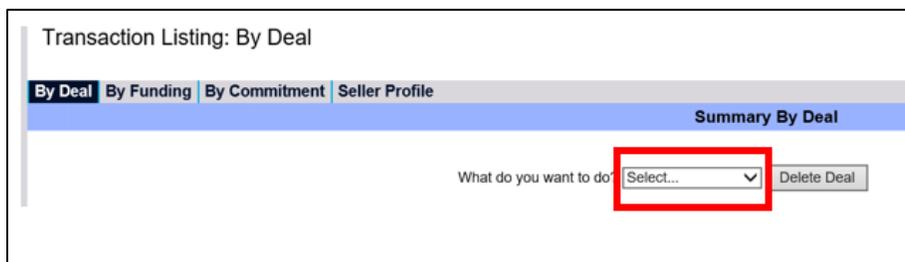


3. Under Applications, click on “C and D.”



Deal Registration

1. In order to submit a commitment, deal registration needs to occur. In the dropdown, select “Create New Deal.” This will take you to the deal registration page.



2. Once in the deal registration page, fill out all applicable fields. Fields that have the symbol “+” next to the text boxes and dropdowns are required to be completed. If left blank the system will not allow deal registration. After information is entered, click “Register Deal” and “Validate this Page”.

Note: The email entered in the “Seller Contact Email” field will be receiving any and all system notifications pertaining to the commitment of the deal.

The definition for each field can be obtained by hovering the mouse cursor over the data field name.



- In the Pricing Attributes section; Other Attributes of “Substantial Rehab” or “New Construction” must be selected. Substantial Rehab can be defined as building(s) being renovated or rehabilitated. New Construction can be defined as “building(s) are under construction where no previous building(s) existed.”

Pricing Attributes			
Execution Type	MBS	Green Financing Type	Select...
Delivery Channel Type (Definition)	Select...	Structured Facility Management Deal ID	Select... (Go to Structured Facility Management System)
Tier / Level	Select...	Tier Drop Eligible?	Yes
Pricing Structure (Information)	Select...	Lender / Fannie Mae Pricing Waiver?	Select...
Additional Debt?	Select...	Supplemental	Not a Supplemental - this is a 1st Lien If Supplemental: Supplemental Lien Position: Select... Supplemental Associated with an Assumption? Select... Exercising Tier Dropping Option? (Prior lien must be tier drop eligible) Select...
Property Type (Definition)	Select...	Underwritten to Standards Described in the DUS Guide Pt. III B Chap. 9?	Select...
Other Attributes (Select all applicable)	<input type="checkbox"/> Early Rate Lock <input type="checkbox"/> Moderate Rehab <input type="checkbox"/> Bifurcated Structure <input type="checkbox"/> Independent Living (IL) <input type="checkbox"/> Streamlined Rate Lock <input type="checkbox"/> Substantial Rehab <input type="checkbox"/> DUS Split <input type="checkbox"/> Assisted Living (AL) <input type="checkbox"/> Single Asset Substitution Eligible <input type="checkbox"/> New Construction <input type="checkbox"/> FHA/VA/RHS Gov't Insured/Guaranteed <input type="checkbox"/> Alzheimer's (ALZH) <input type="checkbox"/> DUS MAST <input type="checkbox"/> DUS Plus Mezzanine <input type="checkbox"/> Multifamily Housing Preservation <input type="checkbox"/> Skilled Nursing Facility (SNF) <input type="checkbox"/> Small Loan <input type="checkbox"/> Interest Reduction Payment (IRP) Subsidy <input type="checkbox"/> Multifamily Bridge Loan		
Mezzanine Financing Type	Select...	MAH Type	Select...
New Product Comments			

- Fill out all required and applicable fields in the Commitment Details Section.

Commitment Details			
Types of Commitment Variances/Waivers	<input type="checkbox"/> Non-Delegated Insurance Waivers <input type="checkbox"/> Non-Delegated Legal Waivers <input type="checkbox"/> Other Guide Waivers <input type="checkbox"/> Underwriting Standards Variances <input type="checkbox"/> None	DUS Gateway Deal ID	Select...
Commitment Amount (\$)	<input type="text"/> Check box if Large Loan <input type="checkbox"/> Check box if ASAP+ <input type="checkbox"/> POC? <input type="checkbox"/>	Interest Type	Select...
Investor Price (%)	Select...	Fannie Mae Participation (%)	100.0000
Interest Only?	Select...	Interest Accrual Method	Select...
Original Term of Loan (months)	# of months <input type="text"/>	Amortization Term (months)	<input type="text"/>
Est. LTV at Commitment (%) (Combined if Supplemental)	<input type="text"/>	Est. DSCR at Commitment (Combined if Supplemental) (Definition)	<input type="text"/>
Cross Default / Cross Collateralize	Select...	Servicing Fee Rate (%)	<input type="text"/>
Current Interest Rate (%)	<input type="text"/>	Lender Pass Through Rate (%)	<input type="text"/>
Guaranty Fee Rate (%)	<input type="text"/>	Original Book Entry Date	<input type="text"/>
Date of Trade (mm/dd/yyyy)	<input type="text"/>		
Trader (investor)	<input type="text"/>		

- Select the applicable Loan Term/Yield Maintenance Term from dropdown. Upon selection, the system will prompt the Prepayment Protection Types and Defeasance section. Select the appropriate Declining Premium Schedule.

Prepayment Protection Type and Defeasance	
Please select from the list below. Selection of Other Prepayment Options will require additional data entry. (Prepayment Protection)	
Select Loan Term / Yield Maintenance Term	Select...

- Please see the “Fees” section of this document for all information pertaining to transaction fees.

Transaction Fees								
Note: The actual Fee Draft will occur within two business days of the Draft File Created Date.								
Lender Fee Administration								
Delete	Fee Type	Expected Rate (%)	Expected Fee (\$)	Actual Fee (\$)	Full or Partial Fee Waiver?	Fee Payment Event	Draft File Created Date	Actual Wire Date
		Actual Rate (%)				Fee Payment Method		Wire Category
<input type="button" value="Add New Row"/> <input type="button" value="Delete Selected"/>								



7. Fill out the applicable fields in the Lender Certificate section.

Lender Certificate (Form 4327)
 Is this Commitment Eligible for a Discount? Select...
 * For the purposes of this certification, Broker/Correspondent is defined as a third party unrelated to the Lender.
Origination Fee and Premium

Fee Description	Value
Total Origination Fee Paid or to be Paid Directly by Borrower (\$)	+ <input type="text"/>
Origination Fee Retained by Lender (\$) (including its employees, related entities and securities trading affiliates)	+ <input type="text"/>
Origination Fee paid to Broker/Correspondent (\$)	+ <input type="text"/>
<hr/>	
Total Premium from Cash Sale or MBS Execution (\$)	+ <input type="text"/>
Premium Retained by Lender (\$) (including its employees, related entities and securities trading affiliates)	+ <input type="text"/>
Premium Paid to Broker/Correspondent (\$)	+ <input type="text"/>
<hr/>	
Fannie Mae Portion of Excess Origination Fee (\$)	+ <input type="text"/>
Fannie Mae Portion of Excess Premium (\$)	+ <input type="text"/>
Origination Fee as Percent of Commitment Amount (%)	<input type="text"/>
Origination Fee and Premium as Percent of Commitment Amount (%)	<input type="text"/>

Name of Broker / Correspondent
 Broker/Correspondent Name
 Broker/Correspondent Type Select...
 Select...
 Select...
Is there an Executed Correspondent Agreement? Select...
 Lender Certificate Agreement
 We certify that the fees and premiums indicated above represent a full and fair disclosure of the amount (1) any and all origination fees paid by the borrower, the amount of fees retained by the Lender (including its employees) and the amount of fees paid to any Broker/Correspondent; and (2) the amount of any premium from a Cash Sale or MBS Execution, the amount of premium retained by the Lender (including its employees) and/or the amount of premium paid to a Broker/Correspondent. We further certify that no amount of the servicing fee on this Mortgage Loan has been or will be paid to anyone other than the Lender except in compliance with the provisions of the Lender's DUS Agreements, the Transaction Documents or other contractual requirement entered into with Fannie Mae, and that the Mortgage Loan and the origination process for the Mortgage Loan comply with the requirements of the Lender's DUS Agreements, the Transaction Documents or other contractual requirement entered into with Fannie Mae.
 Check Here to Certify

8. Any additional important information regarding the deal that may be of use to the Fannie Mae Analyst should be entered in the Lender Comments text box. After the page is complete, click "Save."

Comments
 Lender Comments
 Fannie Mae Comments
 Unlock Reason(s) ARM Attributes Commitment Details Commitment Information
 Forward Commitment Information Funded Forward Details Lender Certificate
 Prepayment Protection Pricing Attributes Property Association

9. Click on the Collateral Tab, in the drop down select "Property." The system will automatically take you to the Property Collateral page. Complete the Short Property information. Click "Save" and "Validate Short Property Collateral."

Collateral Collateral Collateral ID

Association
 Property ID
Short Property
 Property Name
 Property Type Select...
 Green Building Certification Select...
 Primary Property Address
 Address 1
 Address 2
 Lot & Block Description
 City
 State & Postal Code Select...
 County
 Property Financial Type Select...
 Age Reasoned (as defined in the Housing for Older Persons Act (HOPA))? Select...
 Is Green Building Certification Proof? Select...
 Continuum of Care Residential Community Property? Select...

10. Return to the Commitment page, in the "Property Association" section, select the checkbox to associate the collateral record with the Commitment.

Collateral Reference Number	Collateral Name/ID	Address	City, State & Zip
<input type="checkbox"/>			



11. Upon completion of the commitment, click “Save” then “Validate This Page.” The system should display an errors and the type of error (waivable/non-waivable). Work with Fannie Mae Analyst to have errors corrected, then the commitment should be submitted. When Fannie Mae confirms the commitment, a notification email will go out to the address provided in the registration tab of confirmation.

Save	Validate This Page	Submit Commitment	Reset
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Cash Forward

Many of the data fields to be completed in the initial Cash Forward in C&D are identical to those fields in the initial MBS Forward Commitment. Below are the sections and fields that are specific to a Cash Forward. The other steps should be identical.

1. Purchase Price – The price in which Fannie Mae agreed to pay for the mortgage loan expressed as a percentage.

Commitment Details	
Types of Commitment Variances/Waivers	<input type="checkbox"/> Non-Delegated Insurance Waivers <input type="checkbox"/> Non-Delegated Legal Waivers <input type="checkbox"/> Other Guide Waivers <input type="checkbox"/> Underwriting Standards Variances <input type="checkbox"/> None
Commitment Amount (\$)	<input type="text"/> <input type="checkbox"/> Check box if Large Loan <input type="checkbox"/> Check box if ASAP+ POC? <input type="text"/>
Purchase Price (%)	<input type="text"/>
Interest Only?	<input type="checkbox"/>
Original Term of Loan (months)	<input type="text"/>
Est. LTV at Commitment (%) (Combined if Supplemental)	<input type="text"/>
Cross Default / Cross Collateralize	<input type="text"/>
Current Interest Rate (%)	<input type="text"/>
Lender Pass Through Rate (%)	<input type="text"/>
DUS Gateway Deal ID	<input type="text"/>
Interest Type	<input type="text"/>
Fannie Mae Participation (%)	<input type="text" value="100.0000"/>
Interest Accrual Method	<input type="text"/>
Amortization Term (months)	<input type="text"/>
Est. DSCR at Commitment (Combined if Supplemental) (Definition)	<input type="text"/>
Servicing Fee Rate (%)	<input type="text"/>

Credit Enhancement Forward

Many of the data fields to be completed in the initial Credit Enhancement Forward commitment in C&D are identical to those fields in the initial MBS Forward Commitment. Below are the sections and fields that are specific to a Credit Enhancement Forward. The Unfunded Forward Type must be “Standby” since the Execution Type is Credit Enhancement. The other steps should be identical.

1. Credit Enhancement Type dropdown will be “Credit Enhancement Instrument / Closed Indenture.” Credit Enhancement Payment Type will be either “Direct Pay” or “Standby.”

Direct Pay - Fannie Mae has contracted to make payments directly to the Bond Trustee on a specified date.

Standby - Construction Lender makes payments to the Bond Trustee and Fannie Mae is in a stand-by position in the event a payment is not made.

Pricing Attributes	
Execution Type	<input type="text"/>
Delivery Channel Type (Definition)	<input type="text"/>
Credit Enhancement Type	<input type="text"/>
IF/Orp Waiver	<input type="text"/>
Pricing Structure (Information)	<input type="text"/>
Additional Debt?	<input type="text"/>
Green Financing Type	<input type="text"/>
Structured Facility Management Deal ID	<input type="text"/>
Credit Enhancement Payment Type	<input type="text"/>
IF/Orp Waiver	<input type="text"/>
Lender / Fannie Mae Pricing Waiver?	<input type="text"/>
Supplemental	<input type="text"/>
If Supplemental: Supplemental Lien Position <input type="text"/> Supplemental Associated with an Assumption? <input type="text"/> Exercising Tier Dropping Option? (Prior term must be tier drop eligible) <input type="text"/>	



- In the Commitment Details Section, there are three fields specific to a Credit Enhancement, "Credit Enhancement Fee Rate (%)" is a required field and must be populated, and the others are "Credit Enhancement Liquidity Fee Rate" and "Credit Enhancement Principal Reserve Fund Fee Rate" if a variable rate transaction.

Current Interest Rate (%)	*		Servicing Fee Rate (%)	*	
Lender Pass Through Rate (%)	*	0.00000	Credit Enhancement Liquidity Fee Rate (%)	*	
Credit Enhancement Fee Rate (%)	*		Credit Enhancement Principal Reserve Fund Fee Rate (%)	*	

Conversion

This is available to Lender Analyst and Lender Manager Roles only when the initial Forward Commitment is in "Confirmed" state. Before the lender can convert the initial forward commitment to a permanent commitment in C&D, they must obtain a Conversion approval letter. At least ten days prior to the conversion date, the lender will need to upload the following Forward Commitment Loan Documents in DUS Gateway: 4212 (Conversion Loan Analysis Work Sheet), 4618 (Conversion Analysis Summary) & 4243 (Certification to Project Rent Rolls & Instructions). After these documents have been uploaded in Gateway, notify Credit Risk Management via DUS Gateway. If there is approval for conversion after Credit Risk Management's review of the documents, lender will receive a Conversion approval letter. Forward this letter to Fannie Mae Acquisition analyst. After this, follow the below steps on the conversion process within C&D. (For more information on the timeline of the conversion process, refer to Appendix A at the end of this document.)

- After logging in C&D, the Transaction Listing: By Deal/Summary by Deal screen displays.
- To display a list of all commitments, click on the By Commitment tab. The Summary By Commitment screen displays a list of all commitments.
- To select a forward commitment to convert to permanent, click the Commitment Number hyperlink in the Commitment Number column for a Forward Commitment in the Confirmed state. The Commitment screen will appear, displaying all previously confirmed data.

Commitment Number	Execution Type	Commitment Amount (\$)	Commitment Expiration Date	Commitment Submitted	Commitment Last Updated	Commitment State	Associated Seller Loan Number	Commitment Type
891081	MBS Forward Unfunded	12,042,042.00	03/31/2021	03/12/2019 5:22 PM MV-B Test User 8	03/12/2019 9:31 PM Phillip J. Van Dusen	Confirmed		1st Lien

- To begin the conversion process, click the "Convert to Permanent" button.

Register	Commitments	Collateral	Participants	Hedges	Loans	Bonds	Financing Options	Change Requests
								MBS Forward Commitment
								Commitments
								Convert to Permanent

NOTE: Within the new commitment, the Conversion Type is defaulted to Forward Conversion (funded or unfunded) and the Old Forward Commitment Number is populated.

- The Commitment screen redisplay containing a new draft commitment with relevant information copied from the Forward Commitment.

NOTE: Within the new commitment, the Conversion Type is defaulted to Forward Conversion (funded or unfunded) and the Old Forward Commitment Number is populated.

- Complete any data that did not get carried over from initial commitment, these include as follows:
 - Additional Disclosure Indicator, Comments and Contact information. For Additional Disclosure guidance, referenced the Form 4098.

Additional Disclosure? (Definition)	+ Select... ▼	Additional Disclosure Comments	
Additional Disclosure Seller Contact Name		Additional Disclosure Seller Contact E-mail	



- In the Pricing Attributes section, the Green Financing Type and Additional Debt indicator will need to be selected. Also, select the check boxes in “Other Attributes” that are applicable to the deal.

Pricing Attributes		Green Financing Type	+ Not Applicable
Execution Type	MBS	Structured Facility Management Deal ID	(Go to Structured Facility Management System)
Delivery Channel Type (Definition)	+ DUS	Tier Drop Eligible?	+ No
Tier / Level	+ 2	Lender / Fannie Mae Pricing Waiver?	Fannie Mae Approved G/S Fee Waiver
Pricing Structure (Information)	+ Standard	Supplemental	Select...
Additional Debt?	+ Select...	If Supplemental:	Supplemental Lien Position Select... Supplemental Associated with an Assumption? Select... Exercising Tier Dropping Option? (Prior lien must be tier drop eligible) Select...
Loan Purpose	+ Conversion If Refinance: Existing Loan Holder : Select... Fannie Mae Refinance Type : Select... Lender Refinance Type : Select... Other Refinance Type : Select... If Other : If Conversion: Conversion Type : Unfunded Forward Conversion Old Fannie Mae Loan Number: Old Forward Commitment Number: 891092 Is Fannie Mae Participating in Construction Loan? No	Underwritten to Standards Described in the DUS Guide Pt. III B Chap. 9?	+ No
Property Type (Definition)	+ Multifamily	<input type="checkbox"/> Early Rate Lock <input type="checkbox"/> Moderate Rehab <input type="checkbox"/> Bifurcated Structure <input type="checkbox"/> Independent Living (IL) <input type="checkbox"/> Streamlined Rate Lock <input type="checkbox"/> Substantial Rehab <input type="checkbox"/> DUS Split <input type="checkbox"/> Assisted Living (AL) <input type="checkbox"/> Single Asset Substitution Eligible <input type="checkbox"/> New Construction <input type="checkbox"/> FHA/VA/RHS Gov't Insured/Guaranteed <input type="checkbox"/> Alzheimer's (ALZH) <input type="checkbox"/> DUS MAST <input type="checkbox"/> DUS Plus Mezzanine <input type="checkbox"/> Multifamily Housing Preservation <input type="checkbox"/> Skilled Nursing Facility (SNF) <input type="checkbox"/> Small Loan <input type="checkbox"/> Interest Reduction Payment (IRP) Subsidy <input type="checkbox"/> Multifamily Bridge Loan	
Other Attributes (Select all applicable)			

- In the Commitment Details section, populate the fields “Date of Trade (mm/dd/yyyy)” and “Original Book Entry Date.” Since Short property data on the collateral tab was completed during the initial forward commitment submission, this does not need to be adjusted, collateral association to the permanent commitment should already be complete.

7. Save, Validate, and submit the new draft commitment.

Cash to MBS

The following steps provide an overview of the processes needed to convert an Unfunded Cash Forward Commitment to a permanent MBS:

- Obtain approval from Credit Risk Management to convert your Unfunded Cash Forward Commitment to a permanent MBS at least ten days prior to conversion date.
- An authorized trader for your lending organization must contact the Multifamily Desk (Desk) to create an MBS ticket at least 3 business days prior to closing with the borrower. Upon calling, the Desk will confirm the details of the Cash Forward converting and Settlement Date/Book Entry Date of the MBS.
 - The authorized trader must also send an e-mail to the Desk with conversion confirmation and settlement information for inclusion in the trade package.



- 3. Perform the following activities by 9:00AM EST at least 3 Business Days prior to closing with the borrower:
 - Create a permanent Cash Commitment, to do so, access the Unfunded Cash Forward Commitment in C&D™. Click the “Convert to Permanent” button on the Commitment page to create a permanent Cash Commitment. A new permanent Commitment Number will be generated.

- Click Save to save the Commitment, but do not submit it.

- Send an e-mail to the Forwards team mailbox (mf_forwards_team@fanniemae.com) notifying your Fannie Mae Analyst that your Cash Forward Commitment is converting to a permanent MBS.
- Send your conversion approval letter via e-mail to the Forwards team mailbox (mf_forwards_team@fanniemae.com).

4. Your Fannie Mae Analyst will:

- Access C&D to retrieve the permanent Commitment that has been created.
- Complete a change request in C&D to change the permanent Commitment execution type from Cash to MBS.

5. Fannie Mae will contact lender to confirm that data change of execution type is MBS and to complete the submission of the new MBS Commitment. Do not submit permanent commitment until instructed from Acquisition Analyst.

6. Complete the following additional fields on the permanent Commitment page of C&D:

- Fannie Mae Pre-Review (yes)

- Additional Disclosure (if yes, complete AD comments, AD Seller Contact Name and AD Seller Contact E-mail)

- Trader (Investor)



Investor Price (%)	+ [input]	Fannie Mae Participation (%)	+ [input]
Interest Only?	+ No [dropdown]	Interest Accrual Method	+ Select... [dropdown]
Original Term of Loan (months)	+ [input]	Amortization Term (months)	+ [input]
Est. LTV at Commitment (%) (Combined if Supplemental)	+ [input]	Est. DSCR at Commitment (Combined if Supplemental)	+ [input]
Cross Default / Cross Collateralize	+ No [dropdown]	(Definition)	
Current Interest Rate (%)	+ [input]	Servicing Fee Rate (%)	+ [input]
Guaranty Fee Rate (%)	+ [input]	Lender Pass Through Rate (%)	+ 3.30000
Date of Trade (mm/dd/yyyy)	+ [input]	Original Book Entry Date	+ [input]
Trader (Investor)	+ [input]		

- Investor Price (%)

Investor Price (%)	+ [input]	Fannie Mae Participation (%)	+ [input]
Interest Only?	+ No [dropdown]	Interest Accrual Method	+ Select... [dropdown]
Original Term of Loan (months)	+ [input]	Amortization Term (months)	+ [input]
Est. LTV at Commitment (%) (Combined if Supplemental)	+ [input]	Est. DSCR at Commitment (Combined if Supplemental)	+ [input]
Cross Default / Cross Collateralize	+ No [dropdown]	(Definition)	
Current Interest Rate (%)	+ [input]	Servicing Fee Rate (%)	+ [input]
Guaranty Fee Rate (%)	+ [input]	Lender Pass Through Rate (%)	+ 3.30000
Date of Trade (mm/dd/yyyy)	+ [input]	Original Book Entry Date	+ [input]
Trader (Investor)	+ [input]		

- Guaranty Fee Rate (%)

Investor Price (%)	+ [input]	Fannie Mae Participation (%)	+ [input]
Interest Only?	+ No [dropdown]	Interest Accrual Method	+ Select... [dropdown]
Original Term of Loan (months)	+ [input]	Amortization Term (months)	+ [input]
Est. LTV at Commitment (%) (Combined if Supplemental)	+ [input]	Est. DSCR at Commitment (Combined if Supplemental)	+ [input]
Cross Default / Cross Collateralize	+ No [dropdown]	(Definition)	
Current Interest Rate (%)	+ [input]	Servicing Fee Rate (%)	+ [input]
Guaranty Fee Rate (%)	+ [input]	Lender Pass Through Rate (%)	+ 3.30000
Date of Trade (mm/dd/yyyy)	+ [input]	Original Book Entry Date	+ [input]
Trader (Investor)	+ [input]		

- Date of Trade (mm/dd/yyyy)

Investor Price (%)	+ [input]	Fannie Mae Participation (%)	+ [input]
Interest Only?	+ No [dropdown]	Interest Accrual Method	+ Select... [dropdown]
Original Term of Loan (months)	+ [input]	Amortization Term (months)	+ [input]
Est. LTV at Commitment (%) (Combined if Supplemental)	+ [input]	Est. DSCR at Commitment (Combined if Supplemental)	+ [input]
Cross Default / Cross Collateralize	+ No [dropdown]	(Definition)	
Current Interest Rate (%)	+ [input]	Servicing Fee Rate (%)	+ [input]
Guaranty Fee Rate (%)	+ [input]	Lender Pass Through Rate (%)	+ 3.30000
Date of Trade (mm/dd/yyyy)	+ [input]	Original Book Entry Date	+ [input]
Trader (Investor)	+ [input]		

- Original Book Entry Date

Investor Price (%)	+ [input]	Fannie Mae Participation (%)	+ [input]
Interest Only?	+ No [dropdown]	Interest Accrual Method	+ Select... [dropdown]
Original Term of Loan (months)	+ [input]	Amortization Term (months)	+ [input]
Est. LTV at Commitment (%) (Combined if Supplemental)	+ [input]	Est. DSCR at Commitment (Combined if Supplemental)	+ [input]
Cross Default / Cross Collateralize	+ No [dropdown]	(Definition)	
Current Interest Rate (%)	+ [input]	Servicing Fee Rate (%)	+ [input]
Guaranty Fee Rate (%)	+ [input]	Lender Pass Through Rate (%)	+ 3.30000
Date of Trade (mm/dd/yyyy)	+ [input]	Original Book Entry Date	+ [input]
Trader (Investor)	+ [input]		

7. Submit the permanent Commitment for confirmation in C&D.



Extension

An extension pertaining to an Unfunded Forward pertains to the failure to deliver/convert to a Permanent Mortgage Loan before the commitment expiration date and requires additional time to meet Fannie Mae guidelines for conversion.

Lender must submit a request to the Credit Risk Management team in DUS Gateway 30 calendar days prior to the Forward commitment expiration date. Once the Lender has Fannie Mae approval to extend the deal, at least 1 business day prior to the commitment expiration date, the Lender must ensure all conditions to the extension agreement have been met. This includes the execution of the extension agreement, receipt by Fannie Mae of any fees, and delivery of any amended collateral. Please see Fee section of this document for information regarding extension fees and how that is carried out within C&D.

When it has been determined and approved that an extension will occur for an unfunded forward, a change request must be submitted in C&D to adjust the new Commitment Expiration Date. After successful submission of the change request, the Acquisition analyst will notify the lender when the change has been completed in C&D.

Collapse

A collapse is a Forward transaction that failed to deliver/convert to a Permanent Mortgage Loan within the commitment period (also known as a “failed delivery”).

- Lender must submit a request to the Credit Risk Management team 30 calendar days prior to the Forward commitment expiration date.
- For Bond transactions, Fannie Mae Counsel will coordinate the collapse process.

Lender to reach out to the Acquisition analyst for instructions on how to withdraw the deal in C&D.

Fees

1. To enter a fee into C&D, navigate to the Transaction Fees section of the commitment page and select “Add New Row.”

Transaction Fees									
Note: The actual Fee Draft will occur within two business days of the Draft File Created Date.									
Lender Fee Administration									
Delete Select	Fee Type	Expected Rate (%)	Expected Fee (\$)	Actual Fee (\$)	Full or Partial Fee Waiver?	Fee Payment Event	Draft File Created Date	Actual Wire Date	
		Actual Rate (%)				Fee Payment Method		Wire Category	

2. Select the appropriate Fee Type:

- Delivery Fee – If applicable, this fee will have been determined by Fannie Mae.
- Due Diligence – If applicable, this fee will have been determined by Fannie Mae.
- Excess Origination – This would only be applicable for the permanent commitment, see FNMA Response letter for possible stipulation.
- Forward Commitment – This fee is also known as the Good Faith Deposit, this fee is refunded to the lender at delivery. Fee Payment Method is FNMA to Draft, for bonds this fee is wired. The commitment fee can also be in the form of a Letter of Credit. If a forward fails to convert to a permanent commitment, the commitment fee is retained by Fannie Mae. If an LOC is used, adhere to the following steps:
 - Navigate to the Collateral Tab in C&D

Register	Commitments	Collateral	Participants	Hedges	Loans	Bonds	Financing Options	Change Requests
Delete Select	Collateral Reference Number	Collateral Name / ID	Collateral Type					

- Click on the “Add New” dropdown, select “Letter of Credit”



Name / ID	Collateral Type	Collateral Value (\$)
Add New		
<div style="border: 1px solid black; padding: 5px;"> Select... Property Cash Corporate Surety Letter of Credit Promissory Note Guaranteed Investment Contract (GIC) Delivery Assurance Borrower Certificate Other </div>		

- Fill out the collateral information, save and validate. Work with Acquisition analyst to resolve any system edits.

Note: LOC Provider rating requirements are minimum rating of an "A" with a positive outlook.

Register | Commitments | **Collateral** | Participants | Hedges | Loans | Bonds | Financing Options | Change Requests

Non-Property Collateral

Save Validate This Page Reset

Association

Collateral Information

Collateral Name / ID: Letter Of Credit

Collateral Type: Letter Of Credit

Collateral Value (\$):

Collateral Provider Name:

Rating Code:

Rating Date (mm/dd/yyyy):

Rating Trigger: Select

Description:

Release Mechanism: Select

Description:

Collateral Reference Number:

Collateral Purpose: Select

Collateral Expiration Date (mm/dd/yyyy):

Third Party Custodian Name:

Rating Agency Name:

Evergreen?: Select

Collateral Received/Released Section

Collateral Received Date (mm/dd/yyyy):

Collateral Released Date (mm/dd/yyyy):

Collateral History

Update Date & Time	Analyst	Collateral Value	Collateral Expiration Date	Collateral Received Date	Collateral Released Date

- Return to the Commitment page, in the Transaction Fees section, click "Add New Row." Fee Type should be "Forward Commitment." Under Fee Payment Method, select the LOC.

Transaction Fees

Note: The actual Fee Draft will occur within two business days of the Draft File Created Date.

Lender Fee Administration

Delete Select	Fee Type	Expected Rate (%) Actual Rate (%)	Expected Fee (\$)	Actual Fee (\$)	Full or Partial Fee Waiver?	Fee Payment Event Fee Payment Method	Draft File Created Date	Actual Wire Date Wire Category
	Select				Select	Select		

Add New Row Delete Selected

- Reach out to the Acquisition Analyst for where the LOC should be mailed to. This should be mailed in after rate lock.
- Forward Standby – Otherwise known as the Upfront Fee payable at commitment, see FNMA response letter for exact amount.
- Forward Extension – In the case that an extension is used, the FNMA Response Letter will indicate the fee amount (in basis points) of the extension.
- Large Loan – This would only be applicable for the permanent commitment, see FNMA Response letter if Large Loan fee is applicable for the specific deal.

Transaction Fees

Note: The actual Fee Draft will occur within two business days of the Draft File Created Date.

Lender Fee Administration

Delete Select	Fee Type	Expected Rate (%) Actual Rate (%)	Expected Fee (\$)	Actual Fee (\$)	Full or Partial Fee Waiver?	Fee Payment Event Fee Payment Method	Draft File Created Date	Actual Wire Date Wire Category
<input type="checkbox"/>	Select				Select	Select		

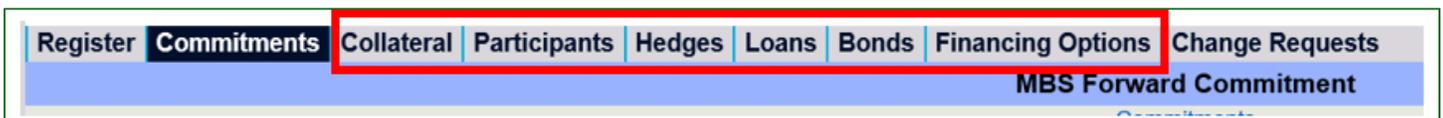


3. Enter the Actual Fee Amount.
4. The Y/N indicator for “Full or Partial Fee Waiver” should be No.
5. Fee Payment Method should be “FNMA to Draft” for MBS Execution Type.

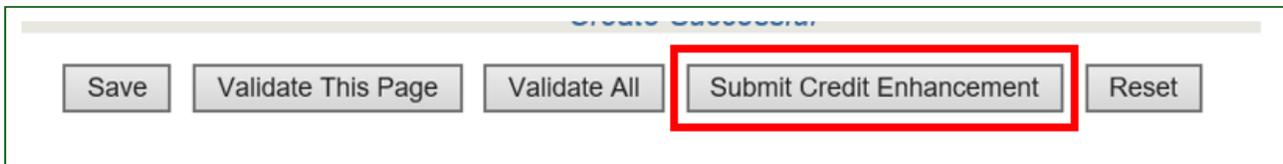
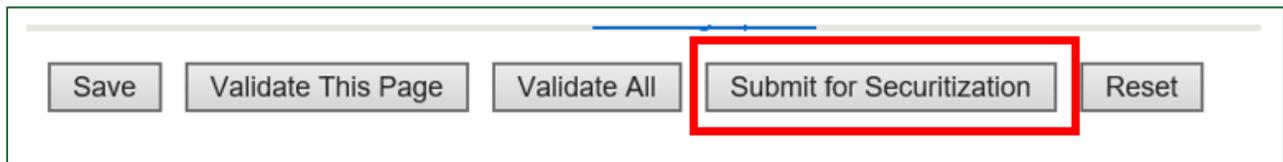
Delivery

Submission of the data and documents must occur as follows:

- Lender to submit pool for securitization and send documents overnight to Certification Team at least 7 business days prior to the Book Entry/Settlement date in order to meet the SLA.
- Lender enters additional required data (loan, collateral, participant and pool data) into C&D and addresses any system edits (warnings, overrideable and non-overrideable). Reach out to Fannie Mae Acquisition Analyst for assistance in clearing any system edits.



- Lender submits cash loan for purchase, pool for securitization or Bonds for credit enhancement in C&D.



- Lender sends required documents overnight, on the same day as the data submission in C&D, to the attention of the Fannie Mae Multifamily Certification & Custody team (13150 Worldgate Drive, Herndon, VA 20170)
- Lender uploads underwriting documents to DUS DocWay™
- Fannie Mae reviews documents and data for certification.
 - Multifamily Certification & Custody Team (MF C&C) performs a quality control review of property data elements, comparing data in Multifamily C&D against data on Underwriter Narrative Form (Form 4662). MF C&C Team works with Lender to resolve data and document discrepancies, if applicable. MF C&C Team performs a review of the data and documents for certification.
- Fannie Mae generates purchase advice and prepares transaction for funding or closes pool to issue security on Book Entry Date (MBS).
- After the loan purchase/securitization, Fannie Mae will return any applicable fees to the Lender.
- Acquisitions Team closes the pool. Pool data is sent to third-party data vendors and to the Federal Reserve.
- Disclosure Operations Team performs final review of draft disclosure documents and publishes the pool to DUS Disclose.



Appendix A (Conversion Timeline)

Schedule of Activities	Process
Construction Period	Lender monitors the construction loan, lease-up status, evaluates inspections and change orders and provides Fannie Mae quarterly updates by completing and submitting Form 4211 to the National Affordable Housing Team. The Lender should inform the National Affordable Housing Team of any risk to the timeliness of conversion and delivery.
90 days prior to Final Delivery Date	Lender initiates contact with National Affordable Housing Team and provides status of project development and anticipated conversion and delivery. The National Affordable Housing Team may forward a "Reminder Letter" to the Lender listing Forward Commitments issued to such Lender expiring within the next 90 days and requiring the Lender to provide written notification of the status for each listed forward.
60 days prior to Final Delivery Date	Lender responds to any "Reminder Letter" and provides status of development and extension request (if applicable).
30 days prior to Final Delivery Date	Lender coordinates closing with Construction Lender.
No more than 20 and no less than 10 Business Days prior to Final Delivery Date	If there are any Fannie Mae imposed conditions which require submission of evidence of compliance, the Lender must provide the National Affordable Housing Team with such evidence during this time period. A completed Form 4212 and Form 4618, must be submitted to the National Affordable Housing Team. Once the National Affordable Housing Team has received appropriate evidence that all Fannie Mae imposed conditions are met (if any), the National Affordable Housing Team will notify the Lender. Lender must submit the Commitments for the permanent Mortgage loan on C&D. DUS Lender sends Notice of Conversion to Fannie Mae's Multifamily Operations and the National Affordable Housing Team. The conversion to the permanent commitment should be submitted at least 3 days before closing with the borrower.
7 Business Days prior to Final Delivery Date	Lender submits permanent Mortgage Loan data via C&D, orders the MBS (for MBS financing only) and delivers the permanent Mortgage Loan Delivery Package.



Terminology

Forward - A commitment to purchase or securitize a Mortgage Loan for a newly constructed or substantially rehabilitated Multifamily Affordable Housing property.

Forward Commitment - Fannie Mae's present obligation to purchase and the Lenders' obligations to sell, or Fannie Mae's present obligation to securitize and the Lender's obligation to deliver, a specific Mortgage Loan at a specified interest rate (except in the case of unfunded commitments or ARM Mortgage Loan commitments). This is evidenced by a Forward commitment confirmation, upon completion of construction, lease up and stabilization of the property and satisfaction of the conditions to closing.

Funded Forward - Commitments where Fannie Mae advances funds (cash) or credit enhances (Bonds) during the construction period.

Unfunded Forward - 1) Cash loans whereby no funds are advanced during the construction period, 2) Bonds that Fannie Mae does not credit enhance or 3) MBS transactions.

MFFA - The Multifamily Forward Financing Agreement (MFFA) is an agreement between Fannie Mae and the Construction Lender detailing the cash financing structure and defined terms.

CPFA - The Construction Phase Financing Agreement (CPFA) is an agreement between Fannie Mae and the Construction Lender detailing the bond financing structure and defined terms.

Letter of Credit - Used to secure repayment of the construction advance loan and/or commitment fee.

Forward Commitment Fee - A fee is due and payable to Fannie Mae within 48 hours after commitment confirmation in the Acquisitions system (Committing & Delivery for Cash/MBS or Bonds). The commitment fee is drafted from the Lender's account (Bond fees are wired). The commitment fee can also be in the form of a Letter of Credit or Note. If a Forward fails to convert to a Permanent Mortgage Loan the commitment fee is retained by Fannie Mae.

Funding Date - The date that the Lender requires Fannie Mae to advance funds to the Construction Lender (Funded Cash transactions only).

Commitment Expiration Date - The date that the Forward commitment expires.

Final Delivery Date - The final date for delivery of the Permanent Mortgage Loan to Fannie Mae and the final maturity date of the construction advance loan as such date may be accelerated or extended in accordance with the terms of the MFFA, as set forth in the Forward commitment confirmation.

Conversion - After construction completion, the Lender delivers the Permanent Mortgage Loan to Fannie Mae for purchase (conversion). The loan delivery is subject to satisfaction of certain requirements per the DUS Guide.

Collapse - A Forward transaction that failed to deliver/convert to a Permanent Mortgage Loan within the commitment period (also known as a "failed delivery").

Extension - Additional time needed for a Forward transaction to convert to a Permanent Mortgage Loan before the commitment expiration date.

Extension Fee - This is the fee assessed by Fannie Mae to extend the final delivery date, if applicable.



Contact Information

Team	Email
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