Multifamily Mortgage Business Lender Memo 15-01

February 12, 2015

To: Multifamily Lenders

From: Thomas Wilson, Vice President for Multifamily Credit Risk Management

Subject: Fannie Mae Reserve Agreement – UCC Continuation Statements

HIGHLIGHTS

Effective February 16, 2015, Fannie Mae announces the publication of a new Certificate of Lender (UCC Continuation Filing) (the “Lender UCC Certificate”) (Form 4203) that offers an alternative process in lieu of an opinion of Lender’s counsel in connection with the filing of some UCC continuation statements required under the Fannie Mae Reserve Agreement (the “Reserve Agreement”).

Introduction

Fannie Mae announces the publication of Lender UCC Certificate (Form 4203). This form replaces the opinion of Lender’s counsel required under Section 6.06(a) of the Reserve Agreement in connection with the filing of UCC continuation statements if the information in the Lender’s original UCC filings has not changed.

Applicability

The Lender UCC Certificate (Form 4203) may be used for all Reserve Agreements currently in effect, and may be delivered in lieu of the opinion of Lender’s counsel required under Section 6.06(a) of the Reserve Agreement. This form does not impact any other opinions required by the Reserve Agreement.

Instructions for Use

The Reserve Agreement requires UCC continuation statements to be filed to maintain perfection of the liens granted by the Lender for the collateral held under the Reserve Agreement. Section 6.06(a) of the Reserve Agreement provides that, upon request of U.S. Bank National Association, as Collateral Custodian under the Reserve Agreement, the Lender is required to provide to the Collateral Custodian an opinion of Lender’s counsel thirty (30) days prior to the deadline for the filing of UCC continuation statements. The opinion of Lender’s counsel is required to confirm the continuing accuracy of the Lender’s information in the original UCC financing statement.

To simplify the filing of UCC continuation statements, Lenders may complete, execute, and submit the Lender UCC Certificate to the Collateral Custodian 40 days before the last day on which the continuation statement must be filed to maintain a perfected security interest in the Reserve Agreement collateral. The Collateral...
Custodian will accept the Lender UCC Certificate in lieu of an opinion of Lender’s counsel if the Collateral Custodian is satisfied there has been no change to any of the required information since the filing of the Lender's last UCC statement. If the Lender does not submit an acceptable Lender UCC Certificate at least 40 days before the last day on which the continuation statement must be filed to maintain a perfected security interest in the Reserve Agreement collateral, the Lender must deliver the opinion of counsel required by Section 6.06(a) of the Reserve Agreement.

Effective Date

Lenders are not required to amend the Reserve Agreement to implement this change. The Lender UCC Certificate may be used beginning February 16, 2015 for any UCC continuation statement that was not required to be filed prior to that date. A copy of the Lender UCC Certificate (Form 4203) is attached, and is also available at www.fanniemae.com/multifamily.

Contact Us

Please contact Sara Todd at sara_todd@fanniemae.com or (202) 752-5860 if you have any questions.

Associated Documents

Lender Certification re: UCC Continuation Filing (Form 4203)
https://www.fanniemae.com/content/guide_form/4203.pdf