Multifamily Mortgage Business Lender Letter 18-08

September 10, 2018

To: Multifamily Lenders

From: Nancy Atwell, Vice President, Multifamily Target State & MBS Management

Subject: Lender Letter 18-08 | C&D Updates for Green Mortgage Loans

HIGHLIGHTS

Effective at a date to be determined in October 2018, Fannie Mae will make updates to the Committing and Delivery (C&D) system to enhance the committing and delivery process for Green Mortgage Loans. Fannie Mae will provide training sessions prior to the release to ensure that all C&D users are aware of these changes.

C&D Enhancements for Green Mortgage Loans

As our Green Financing volume increases, we are updating our systems to simplify and improve the process for delivering Green Loans. To that end, we are making several enhancements to the C&D system in October.

Form 4099.H Delivery Process Changes

- Currently, form 4099.H is uploaded to DUS DocWay™ at the time of the Delivery of all Green Mortgage Loans. Once these changes go into effect, the Lender will be required to upload Form 4099.H through a link in C&D prior to:
  - Delivery of the Mortgage Loan, if the Lender used the Streamlined Rate Lock (SRL) option to obtain a Rate Lock; or
  - Requesting that Fannie Mae confirm the Commitment for the Mortgage Loan if the Lender did not use the Streamlined Rate Lock option.
- Form 4099.H will be automatically validated to ensure that the form is complete and the Mortgage Loan is eligible for Green Rewards financing.

C&D Field Additions and Changes

- Gross Property Square Footage will be added to the “Property” page of C&D to enable Fannie Mae to identify which Properties are subject to City or State energy benchmarking laws. This field will be required for all Mortgage Loans.
- The following changes will be made to the Green Financing Field:
  - The “Green Financing” field will be moved from the “Loan” page of C&D to the “Commitment” page to facilitate earlier identification and validation of Green Mortgage Loans; and
the value of “Green Building Certification” will be added to the “Green Financing” field drop-down list to improve data quality.

The following changes will be made to the “Green Building Certification” field on the “Property” page of C&D:

- The list of Green Building Certifications on the “Green Building Certification” drop-down will be revised to align with Form 4250; and
- An allowable value of “No Green Building Certification” will be added to the drop-down list, and the “Green Building Certification” field will become a required field.

The changes will only affect Mortgage Loans delivered through C&D. Mortgage Loans delivered through the Multifamily Structured Facility Management System (MSFMS) are not impacted at this time. Mortgage Loans using MSFMS will continue to be uploaded to DUS DocWay at the time of Delivery of the Mortgage Loan.

Training Opportunities and Communications

Fannie Mae will communicate additional information about the upcoming changes to C&D users, including the effective date, and provide training as follows:

- the changes will be discussed on the Multifamily Operations Lender Forum calls in September and October;
- C&D Release Notes will be posted to C&D page of the Multifamily Business Portal in late September or early October, and also emailed to registered C&D users;
- two training webinars will be held in early October; and
- an updated How To: Register, Quote, Close, and Deliver a Green Mortgage Loan job aid will be posted the week before the effective date of the C&D update.

Effective Date

The C&D enhancements announced in this Lender Letter will be effective at a date to be determined in October 2018.

Questions

Please contact Sandra Opon at (202) 752-7118, or at sandra_c_opon@fanniemae.com, with any questions.