



## **Fannie Mae MBS Framework**

### **Understand your path to an MBS execution**

Lenders who sell whole loans to Fannie Mae often ask about the process and eligibility requirements to begin pooling loans for Mortgage-Backed Securities (MBS), which may provide a lender with another execution option. This document outlines the steps for an MBS execution. Due to the unique and complex nature of the MBS execution, the lender must demonstrate institutional knowledge in managing all aspects of MBS. Those lenders that meet Fannie Mae's MBS pooling, trade management, servicing, and security settlement standards can request the ability to pool loans and swap them for MBS. We outline the steps for MBS securitization below.

#### **What Do I Need to Do to Obtain an MBS Execution?**

1. Initiate a discussion with your Fannie Mae customer account team.
2. The account team will coordinate the discussion related to an MBS execution and will provide indicative guaranty fees.
3. Fannie Mae will review management experience with securitization as well as the MBS trading and loan delivery history with Fannie Mae to verify MBS pooling and delivery readiness. Additionally, if deemed necessary, Fannie Mae will request pooling, trading, and investor reporting procedures.
4. The account team will work with the lender to implement Pricing & Execution – MBS™.

#### **Resources – Policies and Procedures**

An MBS execution has significantly more operational complexities for lenders than selling whole loans through the Whole Loan Conduit. Policies and procedures must demonstrate understanding of pooling, making accurate loan-level disclosures, SIFMA guidelines and trade settlement, and loan servicing obligations associated with MBS deliveries. For additional information, please refer to these Fannie Mae documents:

[Capital Markets Operations Guidelines – MBS](#)  
[MBS Pool Transactions Overview](#)  
[Loan Delivery User Guide](#)  
[Investor Reporting Manual](#)

#### **Additional Information**

[Selling Guide – Obtaining a Pool Purchase Contract](#)  
[Basics of Fannie Mae Single-Family MBS](#)

#### **How Can Lenders Get Assistance?**

MBS transactions are more complex than whole loan sales, so Fannie Mae customer account managers are ready to work with lenders to prepare for MBS delivery.