Negotiated Pools

Fannie Mae Multifamily purchases and securitizes pools of seasoned loans to reduce lenders’ portfolio risk, improve liquidity or relieve regulatory pressure.

Execution Options

**MBS Swap:** Exchange whole loans for Fannie Mae MBS to be held in portfolio or sold to a capital markets investor for immediate liquidity.

**Wisconsin Avenue Security (WAS) REMIC:** Fannie Mae tranches risk in a senior/subordinate capital structure, giving the lender the option of retaining the bonds or selling the bonds (to capital markets investors or to Fannie Mae).

Benefits

- Optimize balance sheet management by strategically selling or swapping pools of loans for MBS.
- Improve portfolio liquidity.
- Manage and mitigate concentration risk, whether credit, geographic or borrower.

Process

A pool transaction is a complex and intricate process that affects many aspects of a lender’s business. Fannie Mae has a dedicated and experienced team of credit, capital markets, legal, disclosure, operations and other professionals that will work with the lender from beginning to end, including:

- **Pricing:** Includes (1) evaluating and scrubbing the ‘data tape’ to ensure initial compliance, (2) determining the best execution based on the lender’s preferences and market conditions, and (3) providing indicative bids.

- **Loan Level Due Diligence:** Thorough data, credit, and legal review.

- **Rate Lock:** Manages the lender’s interest rate exposure.

- **Closing and Funding:** Executing transaction documents and releasing funds.

Although each transaction varies depending on pool size, data quality, and loan characteristics, the entire process – from initial tape to funding – generally takes 8 to 12 weeks.

Eligibility

- Permanent loans on multifamily rental properties comprised of five or more units.
- Loans must be closed, or “seasoned,” prior to purchase.
- Pool minimum size of $100 million.

For More Information

Contact a Fannie Mae representative or visit the Multifamily Business Portal for details.

fanniemae.com/multifamily