

# Document Custodian Certification Job Aids (Version 4.0)

These Job Aids provide detailed information regarding what is required for institutions that are providing document certification and custody services on behalf of Fannie Mae. These Job Aids supplement the Fannie Mae Requirements for Document Custodians (RDC) and the *Fannie Mae Selling and Servicing Guides*.

**Disclaimer:** These job aids are to provide Document Custodians with guidance for certification purposes only. Nothing herein shall alter, modify, limit, or waive in any respect the Seller's representations and warranties with respect to the sale of the Notes and the documents to Fannie Mae.



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# 1 Overview – Certification Documentation

The Note is a financial document that contains the details of a mortgage loan. The Note is signed by the Borrower of a mortgage loan in which the Borrower acknowledges the debt and promises to pay the owner/holder of the Note in accordance with the stated terms. A Note is secured by a Security Instrument.

The table below applies to both Fixed and Adjustable-Rate Notes and summarizes general high-level topics of Note certification. Please reference the associated Job Aids for further details on each subject.

Note
<ul style="list-style-type: none"><li>• The document is an “original” and has been signed by all borrower(s);<ul style="list-style-type: none"><li>◦ If Note is not original, a Lost Note Affidavit may be used (but only if authorized by Fannie Mae);</li></ul></li><li>• All blanks have been filled in or crossed out, as applicable; and</li><li>• Any “white outs” or changes that materially affect the note (e.g., changes to the original loan amount, interest rate, monthly payment, maturity date, or deletion of one of the mortgage covenants, etc.) have been initialed by the borrower(s).</li><li>• Refer to Job Aid # 1 below</li></ul>
Endorsements
<ul style="list-style-type: none"><li>• Endorsement(s) should appear on Note (however, an Allonge may be utilized and must be attached to the Note);</li><li>• Endorsement(s) must have lender name, authorized signature, typed name, and title of endorser; and</li><li>• Endorsement(s) must be from Seller to Blank (no breaks in the Chain of Endorsements)</li><li>• Refer to Job Aid # 2 below</li></ul>
Borrower’s Signature
<ul style="list-style-type: none"><li>• Note has been signed by the Borrower(s) and the signature(s) does not contradict the name(s) typed below the signature line(s). Slight variations are acceptable (Refer to Job Aid # 3 below);</li><li>• A copy of the name affidavit is present, if the Borrower(s) signed the Note with significant variations;</li><li>• If executed by an Attorney-in-Fact, a copy of the Power-of-Attorney is attached</li><li>• Refer to Job Aid # 5 below</li></ul>

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## 1.1 Fixed Rate Notes: Data Certification & Document Review

Ensure that the following data elements on each Fixed-Rate Note match the data elements submitted by the Seller in Document Certification. If an error is detected, update the Document Certification application with the appropriate Data Revision(s), notify your seller/service of discrepancies related to the non-editable data elements\*.

*Ref. #	Data Certification Fields (NDC names)	Editable Field in Document Certification	Certification Description
1	Property Address	X	Street address indicated in the Note
2	Property City	X	City indicated in the Note
3	Property State	X	State indicated in the Note
4	Property Zip Code		Postal zip code indicated in the Note
5	Original Loan Amount	X	Original loan amount indicated in the Note
6	Original Interest Rate	X	Interest Rate specified in the Note
7	First Payment Due Date	X	Due date of first Principal and Interest Payment
8	Maturity Date	X	Due date of last Principal and Interest Payment
9	Loan P&I Amount	X	Principal and Interest amount indicated in the Note
	Interest Only End Date	X	
	MERS MIN(1)*		Mortgage Identification Number - 18 numerical characters in length
	InvestorFeatureIdentifier*		Special Feature Code
	ProjectLegalStructureType*		Cooperative Indicator (CO-OP)
	InvestorOwnershipPercent*		Participation Percentage
	Bailee Letter Name*		When applicable
	2004A Name*		When applicable
	Amortization type**		See below
	Mortgage loan type**		See below

(1) If the MERS MIN appears on the Note itself, it must appear to be 18 numerical characters in length.

**NOTE:** Reference numbers have been inserted on the sample Fixed-Rate Note that follows.

**NOTE:** Data zip code may differ from the Note zip code. Document Custodian only needs to verify that the zip code contains 5 digits.

**NOTE:** \* Indicates these discrepancies become a document exception  
Note:\*\*

- Although this will not be stated as such in the custody documents, the Document Custodian will generally be able to verify it by the legend on the note. For example, an amortization type of “ARM” in the Loan Data can be confirmed based on the presence of an Adjustable Rate Note.
- Although this will not be stated as such in the custody documents, the Document Custodian will generally be able to verify it by the legend on the note. For example, because the legal documents for an FHA-insured mortgage or a VA- or RHS-guaranteed mortgage generally are not the Fannie Mae/Freddie Mac Uniform Instruments that are used for conventional mortgages, the note may specify the words “FHA,” “VA,” etc. If there is no identifying information to confirm the Mortgage Loan type for a FHA, HUD, VA, or RHS mortgage, the Document Custodian may nevertheless certify the mortgage documentation as long as everything else is in order.

Ensure the following document elements are complete and accurate. If a document discrepancy is found, the document custodian must add the Document Exception flag in the Document Certification application:

*Ref. #	Document Review	Validation Requirements
10	Borrower's Signature	Ensure the note is signed by the borrower(s), and that the signature(s) match the typed name(s) without discrepancies (Refer to Job Aid # 3 below)
11	Co-Borrower's Signature	Ensure the note is signed by the co-borrower(s), and that the signature(s) match the typed name(s) without discrepancies. (Refer to Job Aid # 3 below)
12	Endorsement	Must be 'in Blank' and 'Without Recourse' (Refer to Job Aid # 2 below)
13	Endorsement: Originator/Seller/Servicer	Must have name of Originator/Seller/Servicer (Refer to Job Aid # 2 below)
14	Endorsement: Authorized Signature	Must have authorized signer's original signature or facsimile signature if permitted (Refer to Job Aid # 2 below)



*Ref. #	Document Review	Validation Requirements
15	Endorsement: Name/Title	Must have authorized signer's name and title (Refer to Job Aid # 2 below)

**NOTE:** If a document exception and data revision(s) are required, document custodian must add the Document Exception flag before submitting data revision(s)



<b>NOTE</b>			
<div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;"> <b>Property:</b>            • Address (1)            • City (2)            • State (3)            • Zip Code (4)         </div> <div style="border-bottom: 1px solid black; width: 100%;"></div>	<div style="border-bottom: 1px solid black; width: 100%;"></div> <div style="border-bottom: 1px solid black; width: 100%;"></div>	<div style="border-bottom: 1px solid black; width: 100%;"></div> <div style="border-bottom: 1px solid black; width: 100%;"></div>	<div style="border-bottom: 1px solid black; width: 100%;"></div>
123 Any Road, Anytown, USA 20167 <div style="display: flex; justify-content: space-between;"> <span>[Property Address]</span> <span>[City]</span> <span>[State]</span> </div>			
<div style="border: 1px solid black; padding: 5px; float: right; width: 20%;"> <b>Original Loan Amount (5)</b> </div> <p><b>1. BORROWER'S PROMISE TO PAY</b></p> <p>In return for a loan that I have received, I promise to pay U.S. \$ _____ (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is _____.</p> <p>I will make all payments under this Note in the form of cash, check or money order.</p> <p>I understand that _____ is the Lender or anyone who takes this Note by transfer and who is entitled to receive payment is the "Note Holder."</p>			
<div style="border: 1px solid black; padding: 5px; float: left; width: 20%;"> <b>Original Note Interest Rate (6)</b> </div> <p><b>2. INTEREST</b></p> <p>Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of _____ %.</p> <p>The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 6(B) of this Note.</p>			
<div style="display: flex; justify-content: space-around;"> <div style="border: 1px solid black; padding: 5px; width: 20%;"> <b>Maturity Date (8)</b> </div> <div style="border: 1px solid black; padding: 5px; width: 20%;"> <b>First Payment Date (7)</b> </div> </div> <p><b>3. PAYMENTS</b></p> <p><b>(A) Time and Place of Payments</b></p> <p>I will pay principal and interest by making a payment every month.</p> <p>I will make my monthly payment on the _____ day of each month beginning on _____.</p> <p>I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on _____, 20____, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."</p> <p>I will make my monthly payments at _____ or at a different place if required by the Note Holder.</p>			
<div style="border: 1px solid black; padding: 5px; float: right; width: 20%;"> <b>Loan P&amp;I Amount Monthly (9)</b> </div> <p><b>(B) Amount of Monthly Payments</b></p> <p>My monthly payment will be in the amount of U.S. \$ _____.</p>			
<p><b>4. BORROWER'S RIGHT TO PREPAY</b></p> <p>I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under the Note.</p> <p>I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount, before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due date or in the amount of my monthly payment unless the Note Holder agrees in writing to those changes.</p>			
<p><b>5. LOAN CHARGES</b></p> <p>If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.</p>			





## **6. BORROWER'S FAILURE TO PAY AS REQUIRED**

### **(A) Late Charge for Overdue Payments**

If the Note Holder has not received the full amount of any monthly payment by the end of \_\_\_\_\_ calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be \_\_\_\_\_ % of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

### **(B) Default**

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

### **(C) Notice of Default**

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

### **(D) No Waiver By Note Holder**

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

### **(E) Payment of Note Holder's Costs and Expenses**

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

## **7. GIVING OF NOTICES**

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by delivering it or by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

## **8. OBLIGATIONS OF PERSONS UNDER THIS NOTE**

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

## **9. WAIVERS**

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

## **10. UNIFORM SECURED NOTE**

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.





If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

<b>Borrower</b> <b>(10)</b>	_____	(Seal)
		- Borrower
<b>Co-Borrower</b> <b>(11)</b>	_____	(Seal)
		- Borrower
	_____	(Seal)
		- Borrower

*[Sign Original Only]*

<b>Endorsement (must be in Blank and Without Recourse)</b> <b>( 12 )</b>	<b>PAY TO THE ORDER OF</b>	<b>Name of Originator/Seller/Service</b> <b>( 13 )</b>
	<b>[ BLANK ]</b>	
	<b>WITHOUT RECOURSE</b> <b>ABC Bank, F.S.B.</b>	
	<b>BY:</b> <b>John Q. Public, Vice President</b>	<b>Authorized Signer's Signature</b> <b>( 14 )</b>
		<b>Authorized Signer's Name and Title</b> <b>( 15 )</b>



## 1.2 Adjustable Rate Notes: Data Certification & Document Review

Ensure that the following data elements on each Adjustable-Rate Note match the data elements submitted by the Seller in Document Certification. If an error is detected, update the Document Certification application with the appropriate Data Revision(s), notify your seller/service of discrepancies related to the non-editable data elements\*.

*Ref. #	Data Certification Field	Editable Field in Document Certification	Certification Description
1	Property Address	X	Street address indicated in the Note
2	Property City	X	City indicated in the Note
3	Property State	X	State indicated in the Note
4	Property Zip Code		Postal zip code indicated in the Note
5	Original Loan Amount	X	Original loan amount indicated in the Note
6	Original Note Interest Rate	X	Original Interest Rate specified in the Note
7	First Payment Due Date	X	Due date of first Principal & Interest payment
8	Maturity Date	X	Due date of last Principal & Interest payment
9	Loan P&I Amount	X	Principal & Interest amount indicated in the Note
10	First Interest Rate Change Date	X	First “Interest Rate Change Date” indicated in the Note
11	First Payment Change Date	X	First date on which payment changes (requires calculation)
12	Lookback Period*		Period of time – usually described in number of days
13	Mortgage Margin	X	Amount added to the Interest Rate index value to calculate the new Interest Rate specified in the Note
14	Interest Rate Rounding Type*		Indicates how Index is rounded prior to calculation of new Interest Rate (see table <a href="#">below</a> )
15	Interest Rate Rounding Percent*		Indicates percentage rate is rounded (See highlighted section 4C in Adjustable Note Rate form <a href="#">below</a> )
16	Max Mortgage Interest Rate	X	Maximum allowable Interest Rate as indicated in the Note
17	Min Mortgage Interest Rate	X	Minimum allowable Interest Rate as indicated in the Note, if present
	Interest Only End Date	X	
	MERS MIN(1)*		Mortgage Identification Number- 18 Numerical characters in length
	InvestorFeatureIdentifier*		Special Feature Code
	ProjectLegalStructureType*		Cooperative Indicator (CO-OP)
	InvestorOwnershipPercentage*		Participation Percentage
	Bailee Letter Name*		When applicable
	2004A Name*		When applicable
	Amortization type**		See below
	Mortgage loan type**		See below

(1) If the MERS MIN appears on the Note itself, it must appear to be 18 numerical characters in length.

**NOTE:** Reference numbers have been inserted on the sample Adjustable-Rate Note that follows



**NOTE:** \* Indicates these discrepancies become a document exception

**Please Note:**

- # 11 (First Payment Change Date) will be one payment period after the First Interest Change Date (#10).
- # 17 (Min Mortgage Interest Rate) also called Mortgage Floor is not a stated value for the specific ARM Plan, the stated value of the margin may be reflected as the floor.
- The document custodian is not required to certify Lookback and Index Rounding for portfolio mortgage loans (cash loans)
- Note:\*\* Although this will not be stated as such in the custody documents, the Document Custodian will generally be able to verify it by the legend on the note. For example, an amortization type of “ARM” in the Loan Data can be confirmed based on the presence of an Adjustable Rate Note.
- Although this will not be stated as such in the custody documents, the Document Custodian will generally be able to verify it by the legend on the note. For example, because the legal documents for an FHA-insured mortgage or a VA- or RHS-guaranteed mortgage generally are not the Fannie Mae/Freddie Mac Uniform Instruments that are used for conventional mortgages, the note may specify the words “FHA,” “VA,” etc. If there is no identifying information to confirm the Mortgage Loan type for a FHA, HUD, VA, or RHS mortgage, the Document Custodian may nevertheless certify the mortgage documentation as long as everything else is in order.

**Lookback Period (#12)**

The Lookback Period (expressed in number of days preceding the Interest Rate Change Date) is used to specify the date on which the Index Value that will be used to establish the next Interest Rate change is determined.

Document Custodians are required to certify that the Lookback Period transmitted by the Seller matches the information contained in the individual mortgage loan documents.

**Index Rounding Feature Code (#14)**

The Index Rounding Feature Code is transmitted by the Seller at the loan level as a three-digit number on the XML file and is transmitted at the level for each mortgage loan. This Code indicates how the Index is rounded prior to the calculation of the new Interest Rate. Each Code has an associated Index Rounding Feature that provides the necessary translation to validate this field against the mortgage Note. The Index Rounding Feature Code and translation are summarized in the following table:

Index Rounding Feature Code	Index Rounding Feature / Translation
024	Nearest $\frac{1}{4}$
025	Up to nearest $\frac{1}{4}$
026	Down to nearest $\frac{1}{4}$
027	Nearest $\frac{1}{8}$
028	Up to nearest $\frac{1}{8}$
029	Down to nearest $\frac{1}{8}$
030	Truncate to 2 decimals
000	No rounding

Fannie Mae requires that Document Custodians certify that the Index Rounding Feature/Translation for each Index Rounding Feature Code matches the information contained in the individual loan documents. For example, if the Seller transmits the data with a code of 027, the document custodian must validate that the mortgage Note(s) for all of the mortgage loans in the pool are rounded to the nearest  $\frac{1}{8}$ <sup>th</sup>.

## 1.3 Additional Note fields that require verification



*Ref. #	Document Review	Validation Requirements
18	Borrower's Signature	Ensure the note is signed by the borrower(s), and that the signature(s) match the typed name(s) without discrepancies. (Refer to Job Aid # 3)
19	Co-Borrower's Signature	Ensure the note is signed by the co-borrower(s), and that the signature(s) match the typed name(s) without discrepancies. (Refer to Job Aid # 3)
20	Endorsement	Must be 'in Blank' and 'Without Recourse' (Refer to Job Aid # 2)
21	Endorsement: Originator/Seller/ Servicer	Must have name of Originator/Seller/Servicer (Refer to Job Aid # 2)
22	Endorsement: Authorized Signature	Must have authorized signer's original signature or facsimile signature, if permitted, and with corporate resolution (Refer to Job Aid # 2)
23	Endorsement: Name/Title	Must have authorized signer's name and title (Refer to Job Aid # 2)

**NOTE:** Reference numbers have been inserted on the sample Adjustable-Rate Note that follows.

**NOTE:** If the MIN appears on Note itself, it must appear to be 18 numerical characters in length.

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## ADJUSTABLE RATE NOTE (1 Year Treasury Index – Rate Caps)

**THIS NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN MY INTEREST RATE AND MY MONTHLY PAYMENT. THIS NOTE LIMITS THE AMOUNT MY INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MINIMUM AND MAXIMUM RATES I MUST PAY.**

- Property:
- Address (1)
  - City (2)
  - State (3)
  - Zip Code (4)

[Date] [City] [State]

[Property Address]

**Original Loan Amount/Line Amount (5)**

**1. BORROWER'S PROMISE TO PAY**  
In return for a loan that I have received, I promise to pay U.S. \$ (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is . I will make all payments under this Note in the form of cash, check or money order.

I understand that the Lender may transfer this Note. The Lender may transfer this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

**2. INTEREST**  
Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of %. The interest rate I will pay will change in accordance with Section 4 of this Note.  
The interest rate required by this Section 2 and Section 4 of this Note is the rate I will pay both before and after any default described in Section 7(B) of this Note.

**3. PAYMENTS**  
**(A) Time and Place of Payments**  
I will pay principal and interest by making a payment every month.  
I will make my monthly payment on the first day of each month beginning on . I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If on , 20 , I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."  
I will make my monthly payments at or at a different place if I am instructed by the Note Holder.

**(B) Amount of My Initial Monthly Payments**  
Each of my initial monthly payments will be in the amount of U.S. \$ . This amount may change.

**(C) Monthly Payment Changes**  
Changes in my monthly payment will reflect changes in the unpaid principal of my loan and in the interest rate that I must pay. The Note Holder will determine my new interest rate and the changed amount of my monthly payment in accordance with Section 4 of this Note.

**4. INTEREST RATE AND MONTHLY PAYMENT CHANGES**  
**(A) Change Dates**  
The interest rate I will pay may change on the first day of .  
month thereafter. Each date on which my interest rate changes is called a "Change Date."  
**(B) The Index**  
Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of one year, as made available by the Federal Reserve Board. The

**Original Note Interest Rate (6)**

**Maturity Date (8)**

**First Payment Due Date (7)**

**Loan P&I Amount (Monthly) (9)**

**First Interest Rate Change Date (10)**

**First Payment Change Date (11)**

**Lookback Period (12)**

MULTISTATE ADJUSTABLE RATE NOTE--ARM 5-1--Single Family--Fannie Mae/Freddie Mac UNIFORM INSTRUMENT Form 3501 1/01 (rev. 6/16) (Page 1 of 4)





most recent Index value available as of the date 45 days before each Change Date is called the "Current Index," provided that if the Current Index is less than zero, then the Current Index will be deemed to be zero.

If the Index is no longer available, the Note Holder will choose a new index based on comparable information. The Note Holder will give me notice of this choice.

**(C) Calculation of Changes**

Before each Change Date, the Note Holder will calculate my new interest rate by adding \_\_\_\_\_ percentage points ( \_\_\_\_\_ %) (the "Margin") to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

Min Mortgage Interest Rate  
(17)

I will determine the amount of the monthly payment that would be due at the Change Date in full on the Maturity Date at my new interest rate. The result of this calculation will be the new amount of my monthly payment.

Interest Rate Rounding Percent  
(15)

**(D) Limits on Interest Rate Changes**

The interest rate I am required to pay at the first Change Date will not be greater than \_\_\_\_\_ % or less than \_\_\_\_\_ %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than one percentage point (1.0%) from the rate of interest I have been paying for the preceding 12 months. My interest rate will never be greater than \_\_\_\_\_ % or less than the Margin.

**(E) Effective Date of Changes**

My new interest rate will become effective on each Change Date. I will pay the amount of my monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

**(F) Notice of Changes**

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

Max Mortgage Interest Rate  
(16)

**5. BORROWER'S RIGHT TO PREPAY**

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under the Note.

I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount, before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due dates of my monthly payment unless the Note Holder agrees in writing to those changes. My partial Prepayment may reduce the amount of my monthly payments after the first Change Date following my partial Prepayment. However, any reduction due to my partial Prepayment may be offset by an interest rate increase.

**6. LOAN CHARGES**

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

**7. BORROWER'S FAILURE TO PAY AS REQUIRED**

**(A) Late Charges for Overdue Payments**

If the Note Holder has not received the full amount of any monthly payment by the end of \_\_\_\_\_ calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be \_\_\_\_\_ % of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

**(B) Default**

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

**(C) Notice of Default**

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal which has not been paid and all the interest that I



If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

Borrowers Signature  
(18)

\_\_\_\_\_ (Seal)  
-Borrower

Co-borrowers Signature  
(19)

\_\_\_\_\_ (Seal)  
-Borrower

\_\_\_\_\_ (Seal)  
-Borrower

*[Sign Original Only]*

Endorsement (must be in Blank & Without Recourse)  
(20)

PAY TO THE ORDER OF

[ BLANK ]

WITHOUT RECOURSE  
ABC Bank, F.S.B.

By: John Q. Public, Vice President

Name of Originator/Seller/Service  
(21)

Authorized Signer's Signature  
(22)

Authorized Signer's Name & Title  
(23)

**Please Note:**

- If any discrepancies are detected, the document custodian must update the Document Certification application with the data discrepancies and/or a document exception flag on the loan details page. If both data and document issues are found, **the document exception flag must be added prior to submitting any data revision(s).**
- For each individual mortgage loan delivered, the Document Custodian must verify that all required documents are present.



## 2.0 Job Aid # 1: Note Issues Chart

The following chart identifies various Note issues (Fixed-Rate and ARM) and the required actions.

Issue	Required Action
Changes were made to the original document affecting loan terms and were not initialed by Borrower(s)	<b>Fail Loan</b> - Borrower(s) must initial any changes to the document affecting loan terms. Contact Seller to correct.
Changes were made to the original document that do not affect loan payment terms and were not initialed by the Borrower(s)	<b>Do Not Fail Loan</b> - If the borrower(s) did not initial changes that do not materially affect the terms of the note (e.g., corrections to the property street address, city, state, and/or ZIP code) the document will still be acceptable. (see Section 8.1 of the <i>Requirements of Document Custodians</i> )
The loan documentation indicates that it should be signed by a trustee, but it is signed only by the Borrower in an individual capacity	<b>Fail Loan</b> - Loan must be signed by both a Trustee and a Borrower. A borrower may execute both individually and as Trustee via a single signature block; or the signature can be located on two separate lines (one indicating “as individual” and one indicating “as trustee”).
Originator of the loan is not Seller or Servicer (indicated in the first paragraph of the Note) and has not endorsed the Note	<b>Fail Loan</b> - There must be an endorsement from the originator. Please reference Endorsement Job Aid # 2. Contact Seller to correct.
The Note is not the original	<b>Fail Loan</b> - Unless a Lost Note Affidavit (LNA) is included. An LNA is acceptable only if the Lender has obtained Fannie Mae’s approval to submit LNAs (by presence of a copy of a Single Loan Waiver (SLW)) and has exhausted all reasonable means of obtaining the original document. The LNA: <ul style="list-style-type: none"><li>• Must be complete and tie back to the Note;</li><li>• Must be accompanied by a copy of the Note<ul style="list-style-type: none"><li>○ If a copy of the note cannot be obtained and the Seller has exhausted all reasonable means of locating the Note copy, a copy of the Security Instrument (i.e., mortgage) must be attached;</li></ul></li><li>• Must be signed by the Seller and notarized; and</li><li>• Data elements on the Note copy must match the data submitted in Document Certification.</li><li>• Special Feature Code (SFC) 159 must be provided as a data element at loan delivery.</li></ul> <b>Please Note:</b> LNAs executed by entities other than the <b>Seller</b> are acceptable only with prior approval from Fannie Mae.
The certification data (values) on Note does not match the Document Certification Data	<b>Revise Loan Data</b> - Document Custodian must submit data revision(s) to the Seller via the Document Certification application. If the data is not editable in the application, please follow the non-editable correction Process.



Issue	Required Action
The Note is not endorsed	<b>Fail Loan</b> - Endorsement (in Blank) is required. Please reference Endorsement Job Aid # 2. Contact Seller to correct.
The Seller has submitted a copy of the Note, endorsed in blank, with an LNA, but the chain of Endorsement is not Complete	<b>Certify Loan</b> – Since original Note and any prior Endorsement(s) have been lost, Fannie Mae accepts that the prior Endorsement(s) cannot be replicated and will rely on Seller’s representations and warranties that it has good title to the Note.
The Index Rounding Feature Code and related Index Rounding Feature/Translation do not match all of the mortgage loan documents that the document custodian is required to Review	<b>Fail Loan</b> – the Document Custodian must notify the Seller of each exception. The Seller must correct the Index Rounding Feature Code and/or the mortgage loan documentation and the document custodian must verify each correction before certifying the loan, or the Seller must resubmit the loan.
The Lookback Period does not match all of the mortgage loan documents in the pool	<b>Fail Loan</b> – notify Seller of each exception. To remedy, the Seller must correct the Lookback code and/or loan documentation, and notify the Document Custodian before certifying the loan; or, the Seller must request their Acquisitions Analyst to reject and resubmit the loan.  In cases where the mortgage Note does not state the Lookback as a given number of days (i.e. “the first business day of the previous month”), the Document Custodian may rely on the Seller’s transmitted data.
Borrower’s Name is Blank	If any portion of the Borrower’s Name field is blank for a loan in the Document Certification application, the Document Custodian must communicate that to the lender. Lender will provide a screen shot as confirmation of what Loan Delivery application reflects for Borrower’s Name. Document Custodian will then proceed with the certification of the loan and update their tracking system based on the confirmation sent by the lender, but Document Custodian does not update Fannie Mae data for that loan.



### 3.0 Job Aid # 2: Endorsements

An Endorsement is a method by which the authorized signer transfers ownership of the instrument (i.e. Note) to another party. Fannie Mae requires all Notes to have a complete and uninterrupted chain of endorsements from originator to (blank).

The Blank Endorsement must contain the following:

- “Pay to (or Payable To) the Order of - Without Recourse” language;
- A blank space should appear on the line between “Pay to (or Payable to) the Order Of” and “Without Recourse” (insertion of a visible line is preferred but not necessary);
- Lender name;
- Authorized Signature; and
- Name and title of individual signer (typed or legibly written).

Below is an example of an acceptable way for the endorsing entity to endorse a Note sold to Fannie Mae:

Pay to the Order of
<u>(Leave this line Blank)</u>
Without Recourse
XYZ Mortgage, Inc.
By: <u>John Doe</u>
Name _____
Title _____

- The signature on the Endorsement must be an original signature. The only exception to an original signature that Fannie Mae permits is a facsimile signature on the last Endorsement (to blank) when the endorsing entity provides a corporate resolution authorizing use of facsimile signatures and identifies the individuals and/or titles that are authorized to use facsimile signatures.

The Document Custodian must obtain a copy of the required resolution from endorsing entity.

- If an unsigned Endorsement has been crossed through, the document custodian does not need to have the Servicer initial the change.
- It is acceptable (but not preferable) for the Note Endorsement to contain the assumed business name of the Originator (“DBA” – doing business as) even if the DBA name does not appear on the face of the Note. It is also acceptable for the DBA name to appear on the face of the Note, but not in the Note Endorsement as long as the Originator name appears in both places. Other than the foregoing, the Originator name on the face of the Note cannot contain more information than the Note Endorsement.

Acceptable DBA Endorsements	
Note Originator	Endorsement
XYZ dba 123	XYZ dba 123 to blank
XYZ dba 123	XYZ to blank
XYZ	XYZ dba 123 to blank
123	XYZ dba 123 to blank
123	123 to blank

Unacceptable DBA Endorsements	
Note Originator	Endorsement
XYZ dba 123	XYZ dba 456 to blank
XYZ dba 123	123 to blank
XYZ	123 to blank
123	XYZ





### 3.1 Allonge / Intervening Endorsement

An “Allonge” is an addendum attached to a Note for the purpose of providing endorsements, usually when the original Note does not have enough space for endorsement. It may also be used to correct or complete an Intervening Endorsement or for the final Endorsement in Blank.

The Endorsement generally must appear on the Note. However, an Allonge is acceptable to complete the Chain of Endorsements when: (1) the form and manner of Allonge used complies with applicable state, local, and federal laws governing the use of Allonges; (2) it results in a valid and enforceable endorsement to the Note; (3) it is permanently affixed to the Note; and, (4) it clearly identifies the Note.

The Allonge must clearly identify the Note by referencing, for certification purposes, at minimum (A) the amount of the Note combined with either (B) the Borrower(s) name(s) or (C) the address of the security property. If all three data elements appear on the Allonge, the document custodian must confirm that the information listed does not contradict the Note. Any subsequent Endorsements should (but are not required to) be placed on the Allonge.

Example:

<p style="text-align: center;"><b>ALLONGE</b></p> <p>Borrower(s): Property Address: Note/Loan Amount: \$</p> <p style="text-align: center;"><b>PAY TO THE ORDER OF:</b></p> <p style="text-align: center;">_____</p> <p style="text-align: center;">Without Recourse</p> <p>Endorsing Company Name</p> <p><u>By: Signature of Individual</u> Name _____ Title _____</p>
---

**NOTE:** If an Allonge is dated, the date must be on or after the Note date.

### 3.2 Intervening Endorsement

In addition to the requirements listed above for Endorsements, all Intervening Endorsements must:

- Contain the company name and the authorized signature(s) of prior Note holder(s); and,
- Indicate the printed name and title of the authorized person executing the Intervening Endorsement.

#### Please Note:

- If an Intervening Endorsement contains a facsimile signature, the Document Custodian is not required to obtain a Corporate Resolution from Intervening Endorsing entity.
- On a case-by-case basis please direct any questions regarding acceptable alternatives to ‘Pay to’ or ‘Payable to’ language on the Intervening Endorsement, to your regional Fannie Mae Legal Counsel.

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### 3.3 Chain of Endorsements

PASS				
Example	Originator	Sale History	Endorsement	Explanation
1	A	A sells Note to <b>Fannie Mae</b>	A to Blank	Endorsement chain creates an uninterrupted chain to the final 'in Blank' Endorsement.
2	A	A sells Note to <b>B</b>	A to B	
		B sells Note to <b>C</b>	B to C	
		C sells Note to <b>Fannie Mae</b>	C to Blank	

FAIL				
Example	Originator	Sale History	Endorsement	Explanation
1	A	A sells Note to <b>B</b> B sells Note to <b>Fannie Mae</b>	A to B B to C	Final Endorsement on Note is endorsed to 'C,' and not 'in Blank.'
3	A	A sells Note to <b>B</b> , B sells Note to <b>C</b> C sells Note to <b>Fannie Mae</b>	A to B C to Blank	Intervening Endorsement (B to C) is missing.
4	A	A (dba X) sells Note to <b>B</b> , B sells Note to <b>C</b> C sells Note to <b>Fannie Mae</b>	X to B B to C C to Blank	Endorsement from lender X must contain the dba reference. It is not acceptable to under-identify the lender name on the Endorsement.
5	A	A sells Note to <b>B</b> , B sells Note to <b>C</b> C sells Note to <b>Fannie Mae</b>	A to B B to C G to Blank	Chain of Endorsements is broken; no link from C to G.
6	A	A sells Note to <b>B</b> , B sells Note to <b>C</b> C sells Note to <b>Fannie Mae</b>	A to B B to C C to Blank B to D	Extraneous Endorsement – B to D Not a good chain of endorsements. Final Endorsement must be to Blank.

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## 4.0 Job Aid # 3: Borrower(s) Signature(s)

The Borrower is the party obligated to repay the indebtedness secured by the mortgaged premises. The document custodian must ensure:

- i. That the Note has been signed by the Borrower(s) and that the signature(s) does not contradict the typed name(s) below the signature line(s). If the signature(s) varies from the typed name(s), the degree of variance determines whether the document is acceptable for certification.

PASS		
Borrower's Typed Name	Borrower's Signature on Note Explanation	Explanation
William Smith	<i>William T. Smith</i> <i>William Thomas Smith William Smith Jr.</i>	Acceptable variations include a Borrower's over- or under-signing of the document
William T. Smith	<i>William Smith</i> <i>William Thomas Smith William Thomas Smith, Jr. William Smith</i>	
William T. Smith, Jr.	<i>Smith</i> <i>William T. Smith</i> <i>William Thomas Smith</i>	Slight variations such as a missing middle initial or the omission or inclusion of "Jr." or "Sr." are generally acceptable
William Smith, Jr.	<i>William Smith William T. Smith</i> <i>William Thomas Smith</i>	
William Smith, individually and as Trustee for the Smith Family Trust under trust instrument dated X,X XX for the benefit of William Smith	<i>William Smith</i>	Borrower's typed name indicates that William Smith has signed in both an individual and trust capacity.

FAIL		
Borrower's Typed Name	Borrower's Signature on Note	Explanation
William Smith	<i>Skip Smith</i> <i>X</i> <i>Bill Smith</i> <i>Will Smith</i>	Significant variations are not acceptable. However, if the Seller provides the Name Affidavit, the document custodian may certify the adequacy of the documentation (the document custodian must maintain the Name Affidavit in the file)
William T. Smith	<i>Skip Smith Bill T. Smith William H. Smith William H.</i>	
William T. Smith, Jr.	<i>Smith</i> <i>William T. Smith, Sr.</i> <i>Bill Smith, Jr. Skip T. Smith, Jr.</i>	
William Smith, Jr.	<i>Bill T. Smith Skip Smith, Jr.</i>	
William Smith as Trustee	<i>William Smith</i>	Typed name must indicate that William Smith is signing individually and as Trustee

### Please Note:

- If executed by Attorney-in-Fact, Power of Attorney (POA) is attached.



## 5.0 Job Aid # 4: Bailee Processing

Whenever a Bailee letter and/or Form 2004A is delivered with the Documents, the Bailee letter and/or Form 2004A must clearly identify the specific Mortgage Loans related to that Bailee letter and/or Form 2004A either in the Bailee letter and/or Form 2004A or in an exhibit in a form acceptable to the Document Custodian (the “Loan List”). Upon receipt and opening of a Mortgage Loan package containing a bailee letter, the Document Custodian must immediately perform a loan inventory to validate that Documents for the loans listed on Loan List are in the loan package. In the event of a discrepancy, Document Custodian must immediately notify the Lender who is responsible for notifying the warehouse lender of any missing Documents.

For any Mortgage Loans delivered with a Bailee letter and/or Form 2004A, the Document Custodian must ensure that the Bailee letter and/or Form 2004A and Loan List (or electronic versions of them) are retained for at least two (2) years following certification and can be associated with the specific Mortgage Loan during that retention period. Because the Document Custodian has no knowledge of when Fannie Mae actually purchases or securitizes these Mortgage Loans, it is critical that the Document Custodian have a process to tie a certified Mortgage Loan back to the applicable Bailee letter and/or Form 2004A.

### 5.1 Bailee Processing & Issues Resolution

The Bailee letter being certified must reflect the warehouse lender name in either the top right-hand corner of the Bailee letter or as a part of the Bailee letterhead (the “Bailee Letter Name”). The Form 2004A, if delivered to indicate a disbursement agent relationship, must reflect the disbursement agent’s name in the body of the form (the “2004A Name”). For each loan delivered with a Bailee letter and/or a Form 2004A, during certification, the document custodian must validate the Bailee Letter Name or the 2004A Name as applicable against the Document Certification loan data for each loan on the loan list.

In addition, due to the criticality of the certification of Bailee Letter Name and 2004A Name, a secondary quality control check must be in place prior to certification. The Document Custodian must perform a second level review (to be evidenced in its procedures) to ensure the accuracy of the Bailee Letter Name or 2004A Name before completing the certification of bailee loans.

During certification, in the event of a discrepancy with the Bailee Letter Name or 2004A Name, the document custodian must flag this discrepancy as a document exception(s) that cannot be certified to Fannie Mae. If the Seller and warehouse lender determine that the name in the bailee letter or Form 2004A is incorrect, the Seller shall work with the warehouse lender to submit a corrected bailee letter or Form 2004A, as applicable, to the Document Custodian. If the Seller determines that the Bailee Letter Name or Form 2004A name in the delivery data is incorrect, it must reject the delivery data and then resubmit corrected Loan Data for certification.

### 5.2 Document Custodian Bailee Certification Errors

If a Document Custodian certifies a Bailee loan incorrectly, the document custodian must self-report immediately by sending a notification to Fannie Mae Custody Operations Teams at [Certification\\_SF@fanniemae.com](mailto:Certification_SF@fanniemae.com). Since Fannie Mae cannot prevent a certified loan from funding, in the event that funding results in a returned wire, Fannie Mae will work with the Document Custodian to determine if the returned wire becomes an Operational Incident (OI).

When self-identifying an incorrect bailee certification the Document Custodian should use the subject line as reflected below:

**The subject line should read: “<Document Custodian Name><Seller Name><Seller Number> Incorrect Bailee Certification Notice”.**

When a Operational Risk Event (ORE) is identified, the Document Custodian will be notified via email. Once notification is received, the Document Custodian must respond to Fannie Mae within 2 business days with the root cause and remediation plan to prevent future incidents.



### 5.3 Seller and Warehouse Lender Incorrect Setup

If a document custodian is unable to complete certification due to an incorrect setup of the seller and warehouse lender relationship in Loan Delivery, the seller may escalate to the Fannie Mae Acquisitions Team for support at FannieMae WarehouseLenderSupport <fanniemae\_warehouselendersupport@fanniemae.com>.

If a document custodian is unable to complete certification due to a slight difference in the bailee letter name, the Document Custodian should notify the seller. If the situation is time sensitive and the seller is unable to obtain a corrected bailee letter from the warehouse lender the seller should reach out to Custody Operations. In these instances, Fannie Mae may be able to perform a manual Bailee verification. The seller will be required to email Fannie Mae Custody Operations Team at [Certification\\_SF@fanniemae.com](mailto:Certification_SF@fanniemae.com) to request a manual validation. The document custodian will provide Fannie Mae with the required documentation once directed by the seller.

The subject line of the email notification sent by the seller should be consistent and instruct Fannie Mae to perform the manual Bailee verification. The subject line of the email should read:

**“<Document Custodian Name> <Seller Name> <Seller Number> Manual Bailee Certification Needed.”**

**This does not apply to cases where the seller selects the incorrect warehouse lender or disbursement agent information during loan submission. If the seller submits incorrect warehouse lender or disbursement agent information during loan submission, the seller should contact the Fannie Mae Acquisitions team for assistance.**

### 5.4 System Related Issues

The document custodian *may* be able to utilize the manual Bailee verification process if system issues are present in Loan Delivery or Document Certification and impacts a document custodian’s ability to certify Bailee loans.

**This does not apply to cases where the seller selects the incorrect warehouse lender or disbursement agent information during loan submission. If the seller submits incorrect warehouse lender or disbursement agent information during loan submission, the seller should contact the Fannie Mae Acquisitions team for assistance.**

If the document custodian identifies a system issue, they should reach out to the contacts listed below to determine if a manual Bailee verification can be used.

Email Distribution List	
Fannie Mae Acquisitions Warehouse Lender Support	FannieMae WarehouseLenderSupport <fanniemae_warehouselendersupport@fanniemae.com>
Carbon Copy (CC)	
Fannie Mae Custody Operations Andrea Casey	Certification_SF@fanniemae.com Andrea_x_casey@fanniemae.com





### 5.4.1 Required Information/Documentation

The document custodian will be required to provide the following documentation to Fannie Mae:

- Complete Copy of Bailee Letter with attached loan list
- Completed document custodian Bailee Exception Loan List.xlsx

**NOTE:** Fannie Mae may request additional information or documentation, as needed

The document custodian must include the total loan count with the manual Bailee verification request in the body of the email.

### 5.4.2 Completing the Document Custodian Bailee Exception Loan List.xlsx

The table below lists the required fields needed for completion by the document custodian. Each loan requiring Bailee verification should be listed with all information completed.

FNMA Loan Number	Seller Loan Number	FNMA Seller Number	Seller Name	Loan Type
The Fannie Mae Loan number associated with the exception	The Seller Loan number associated with the exception	The nine-digit Fannie Mae Seller number associated with the exception	The name of the Seller associated with the exception	The type of loan delivery; Whole Loan, MBS Loan, ASAP Loan, ASAP+ Loan

### 5.4.3 Manual Bailee Verification Approvals

Once Fannie Mae completes the manual Bailee verification, an email will be sent to the document custodian advising the outcome of the certification. Fannie Mae will provide one of the following types of approvals:

- Full Approval – The document custodian will be instructed to complete certification on all loan(s) submitted for verification.
- Partial Approval – The document custodian will be advised which specific loan(s) failed validation. The remaining loans will be approved for certification.
- Fail – The document custodian will be advised that the loans have failed and will retain the failed doc status. The document custodian will notify the lender/seller for follow up.

For Partial Approval or Fail, the document custodian will work with the seller and corresponding warehouse lender to address the Fail reason. Once the Fail reason has been resolved the document custodian can resubmit the exceptions to Fannie Mae for approval with updated documentation, when needed.

### 5.4.4 Service Level Agreement (SLA)

Fannie Mae will process the request for manual Bailee verification submitted within a reasonable amount of time. All requests received by 2:00 PM will be completed within the same business day, unless otherwise notified by the Fannie Mae Custody Operations Team. Any requests that cannot be completed the same day should be completed by 2:00 PM the following business day.



## 6.0 Job Aid # 5: Borrower Power of Attorney

### 6.1 Borrower(s) Power-of-Attorney (POA)

A Power-of-Attorney (POA) is a written instrument authorizing an individual to act on a person's or entity's behalf as his/her/its agent or Attorney-in-Fact (AIF). The following rules apply when reviewing Borrower(s) POA document/signatures (also see attached sample POA):

1. POA must be signed by the Borrower(s) and name must match Borrower(s) name on Note;
2. POA must state the name of the designated AIF;
3. The designated AIF must be the same person signing the Note on behalf of the Borrower(s);
4. The effective date of the POA must be the day of or before the date of the Note (cannot be dated *after* Note date); and
5. POA must be properly notarized.

The signature of an Attorney-in-Fact (AIF) is acceptable as long as "Attorney-in-Fact" (AIF) or "Power-of-Attorney" (POA) is indicated beside the AIF's printed or signed name and an acceptable matching POA document is received.

PASS
<u>Jane Smith as AIF for Chris Jones pursuant to POA dated XX XX, XXXX</u> Chris Jones
<u>Chris Jones by Jane Smith, AIF (or POA)</u> Chris Jones
<u>Chris Jones by Jane Smith, AIF (or POA)</u> Chris Jones, by Jane Smith as his Attorney-in-Fact (or POA)
<u>Jane Smith, Attorney in Fact for Chris Jones</u> Chris Jones by Jane Smith as his Attorney-in-Fact (or POA)
<u>Jane Smith, AIF (or POA)</u> Chris Jones
<u>Chris Jones by Jane Smith*</u> Chris Jones, by Jane Smith as his Attorney-in-Fact (or POA)
<u>Jane Smith*</u> Chris Jones, by Jane Smith as his Attorney-in-Fact (or POA)
<u>George Sunday*</u> George Sunday, by Mary Sunday Attorney-in-Fact
<u>George Sunday by Mary Sunday his Agent*</u> George Sunday, by Mary Sunday his Agent
FAIL
<u>Jane Smith*</u> Chris Jones
<u>Jane Smith</u> Jane Smith, Attorney-in-Fact
<u>Chris Jones</u> Chris Jones by: Jane Smith, Attorney-in-Fact

\* While it is not always required to reflect AIF or POA on the signature line, it is strongly preferred.

#### Please Note:

- Document Custodian may accept a copy of the POA in lieu of original.
- POA should be enforceable for appropriate transaction (e.g., for real estate transactions, purchases with dollar limits, etc.)



## Sample Power of Attorney

Job Aid #6

Please Note: This is only an example of a POA and does not have to be the specific POA used

# Power of Attorney

STATE OF \_\_\_\_\_  
COUNTY/PARISH OF \_\_\_\_\_

Borrower's Typed or  
Printed Name  
( 1 )

KNOW ALL MEN BY THESE PRESENTS:

That I, \_\_\_\_\_, of the full age of majority and a resident of \_\_\_\_\_, do hereby constitute and appoint:

\_\_\_\_\_ a person of the full age of majority as my true and lawful Attorney-in-Fact, for me, and in my name, place and stead to conduct, manage and transact all and singular my affairs, business, concerns and matters of whatever nature or kind, without any exception or reservation whatsoever; to open all letters of correspondence addressed to me; to make all banking, mortgage, and real estate transactions including opening and deposits and withdrawals from same; borrowing funds, and executing mortgage real estate; and generally to do and perform all and every other act, matter and thing whatsoever, as shall or may be requisite and necessary, touching or concerning my affairs, business or assets as fully, completely and effectually, and to all intents and purposes with the same validity, as if all and every such act, matter or thing, were or had been particularly stated, expressed, and especially provided for, or as I could or might do if personally present; also with full power of substitution and revocation; and I hereby agree to ratify and confirm all and whatsoever my said agent shall lawfully do or cause to be done by virtue of this act of procuration. I further give and grant unto my said Attorney-in-Fact full power and authority to sign all papers, deeds, mortgages, notes, and documents; to issue all receipts and to do all acts necessary and proper to accomplish any and all of the duties hereinabove specified, with the same validity as I might myself do, were I personally present and acting for myself, and I hereby ratify and confirm whatever my said Attorney may do by virtue of this power. This agency is "durable" and shall not be deemed revoked by my disability or incapacity; nor shall this agency be deemed revoked by the passage of time.

Name of Attorney-in-Fact  
( 2 & 3 )

THUS DONE AND PASSED, on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, in the presence of the undersigned competent witnesses who have hereunto signed their names with appearer and me, Notary, after due reading of the whole.

Witnesses:

Borrower's Signature  
( 1 )

Date of POA Must be Day  
of or Before Note Date  
( 4 )

Dated: \_\_\_\_\_

Borrower's Signature

POA Must be Properly  
Notarized  
( 5 )

[insert appropriate state form of notary acknowledgement]

Notary Public



## 7.0 Job Aid # 6: Consolidation, Extension, and Modification Agreement

### 7.1 Consolidation, Extension, and Modification Agreement (CEMA)

The statutory provisions of New York permit certain mortgages to be documented by a Consolidation, Extension, and Modification Agreement (CEMA). The CEMA consolidates into one document the terms of prior notes and mortgages related to the security property and, if new funds are advanced to the Borrower(s) at the time of consolidation, the terms of the new note and mortgages. In such instances, the consolidation must be documented on Fannie Mae's standard Consolidation, Extension and Modification Agreement, Form 3172 (or an equivalent Fannie Mae approved form). The Document Custodian must verify the following elements and key information when processing a CEMA:

Item	Elements
<b>Consolidated Note</b>	<p>The Consolidated Note:</p> <ul style="list-style-type: none"> <li>• Must be original.</li> <li>• Must be signed by the Borrower(s).</li> <li>• Must be endorsed in blank by the Lender.</li> <li>• Must have the proper chain of endorsement.</li> </ul> <p>Must contain the “amend and restate” language at the top of the document. (Refer to CEMA Issues Chart or the Form 3172 Instructions page for full language.)</p> <p>In addition to the above elements, when certifying the Consolidated Note, follow the certification requirements for a Mortgage Note (please refer to Notes Job Aid #1).</p>
<b>CEMA</b>	<ul style="list-style-type: none"> <li>• The executed and recorded original CEMA, Form 3172 (revised 5/01) – or an equivalent Fannie Mae approved form. CEMA can be a copy of the original that was sent to the recording office.</li> <li>• Dollar amount entered in the first blank in Section I (page 1) of the CEMA (<a href="#">see data field 1</a> in attached sample CEMA) and consolidated the principal amount of the Consolidated Note must be the same.</li> <li>• If new funds were advanced, #1 on Exhibit A should refer to both the Gap Mortgage and the Gap Note. <ul style="list-style-type: none"> <li>○ The dollar amount entered in the second blank in Section I (page 1) of the CEMA (<a href="#">see data field 2</a> in attached sample CEMA) and the dollar amount entered in the corresponding blank on Exhibit A (advanced funds) (<a href="#">see data field 3 in Exhibit A</a> in attached sample CEMA) must be the same <a href="#">(1)</a>.</li> </ul> </li> <li>• CEMA must be signed by Borrower(s).</li> <li>• If the last page of the CEMA contains Notary information that has been filled out, verify it is signed and dated.</li> <li>• New York property only.</li> <li>• CEMA must include Exhibits A through D. <ul style="list-style-type: none"> <li>○ Exhibit A - List of Mortgages, Notes, and Agreements (list of all notes and mortgages being consolidated, extended and modified). Original notes listed in Exhibit A (the Gap Note and other prior notes and CEMAs) are not required to be held by Document Custodian.</li> <li>○ Exhibit B - Property Description (legal description of property).</li> <li>○ Exhibit C - Consolidated Note and Addenda (copy of Consolidated Note). <ul style="list-style-type: none"> <li>▪ Must contain the required “amend and restate” language described in “Consolidated Note” section.</li> <li>▪ Does not need to show the Borrower(s) signature(s).</li> </ul> </li> <li>○ Exhibit D - Consolidated Mortgage and Riders. <ul style="list-style-type: none"> <li>▪ The dollar amount entered in the first blank in Section I (page 1) of the CEMA (<a href="#">see data field 1</a> in attached sample CEMA) and the dollar amount entered in the corresponding blank in the Consolidated Mortgage (Exhibit D) must be the same.</li> <li>▪ Copy of the consolidated mortgage does not need to show the Borrower(s) signature(s).</li> </ul> </li> </ul> </li> </ul>
<b>Assignment</b>	<p>Assignment of CEMA to Fannie Mae (unrecorded, but in recordable form) that:</p> <ul style="list-style-type: none"> <li>• Must be dated on or after the date of the CEMA.</li> </ul> <p>Refer to Assignment Job Aid #5 for additional information.</p>

[\(1\)](#) Fannie Mae does not require the Gap Note to be delivered for post-May 2001 CEMAs. These requirements apply to CEMA Form 3172, revised May 2001.



## 7.2 CEMA Issues Chart

The following chart addresses possible CEMA issues and corresponding actions:

Issue	Action
A CEMA is submitted for a state other than New York using the CEMA form.	Fail Loan - CEMA (Form 3172) can only be used for properties in the state of New York. Contact Seller to correct.
Exhibit A does not list any prior Notes.	Fail Loan – For post May 2001 CEMA submissions, Exhibit A must list all notes, security instruments, assignments, the most recent consolidation agreement and related agreements that modify, consolidate, or extend prior underlying obligations and which predate the CEMA. For pre-May 2001 submissions, all original prior notes (and GAP Note, if applicable) must be present. Contact Seller to correct.
The standard language for CEMAs does not appear on the Consolidated Note.	Certify Loan – Per the CEMA instructions, the following language must be included at the top of the Consolidated Note: <ul style="list-style-type: none"> <li>• <u>Fixed-Rate Notes</u>: “Consolidated Note - This Note amends and restates in their entirety, and is given in substitution for, the Notes described in Exhibit A of the New York Consolidation, Extension and Modification Agreement dated the same date as this Note.”</li> <li>• <u>Adjustable-Rate Notes</u>: “Consolidated Adjustable-Rate Note - This Note amends and restates in their entirety, and is given in substitution for, the Notes described in Exhibit A of the New York Consolidation, Extension, and Modification Agreement dated the same date as this Note.”</li> </ul> Inform the Seller that this language should be included at the top of the Consolidated Note going forward.
The Consolidated Note delivered is a copy, not the original.	Fail Loan - The Consolidated Note delivered must be the original. Contact Seller to correct. <u>The following documents must be originals:</u> <ul style="list-style-type: none"> <li>• Consolidated Note (signed by Borrower(s).</li> <li>• Assignment, if not registered in MERS.</li> </ul> <u>The following documents can be copies:</u> <ul style="list-style-type: none"> <li>• CEMA, Form 3172 (or Fannie Mae approved equivalent) (certified copy). - Exhibits A, B, C and D.</li> </ul>
A post-May 2001 CEMA is submitted with copies of all prior Notes.	Certify Loan – Fannie Mae no longer requires prior Notes to be delivered with CEMAs dated after May 2001. The Document Custodian is not required to certify the prior Note copies and can file them with the CEMA. For post-May 2001 CEMAs: <ul style="list-style-type: none"> <li>• The form used must be the (new) Form 3172 (revised 5/01).</li> <li>• Fannie Mae no longer requires that all prior Notes be held by the Document Custodian, provided that the Document Custodian has the original Consolidated Note. However, if the CEMA is dated before May 2001, the Document Custodian must hold all original prior Notes (and GAP Note, if applicable).</li> </ul>
Copy of the Consolidated Note (Exhibit C) is not signed by the Borrower(s).	Certify Loan – The copy of the Consolidated Note (Exhibit C) does not need to show the Borrower(s) signature(s). However, Document Custodian must verify that the original Consolidated Note is signed.





### 7.3 Sample CEMA Form 3172

The following pages are samples provided for informational purposes only. They are not intended to reflect Document Custodian certification requirements.

#### Consolidation, Extension, and Modification Agreement

Job Aid #7

[Space Above This Line For Recording Data]

#### CONSOLIDATION, EXTENSION, AND MODIFICATION AGREEMENT

##### WORDS USED OFTEN IN THIS DOCUMENT

(A) "Agreement." This document, which is dated \_\_\_\_\_, \_\_\_\_\_ and exhibits and riders attached to this document will be called the "Agreement."

(B) "Borrower." \_\_\_\_\_ will be called "Borrower" and sometimes "I" or "me." Borrower's address is \_\_\_\_\_.

(C) "Lender." \_\_\_\_\_ will be called "Lender" and sometimes "Note Holder." Lender is a corporation or association which exists under the laws of \_\_\_\_\_. Lender's address is \_\_\_\_\_.

(D) "Mortgages." The mortgages, deeds of trust, or other security instruments and any additional security instruments and related agreements (such as assignments, extensions, modifications, or consolidations of mortgages) identified in Exhibit A to this Agreement will be called the "Mortgages."

(E) "Note Holder." Lender or anyone who succeeds to Lender's rights under this Agreement and who is entitled to receive the payments I agree to make under this Agreement may be called the "Note Holder."

(F) "Notes." The Notes which are identified in Exhibit A to this Agreement, and which are secured by the Mortgages, will be called the "Notes."

(G) "Property." The property which is described in the Mortgage(s) and in Exhibit B (Property Description) to this Agreement, will be called the "Property." The Property is located at:

\_\_\_\_\_  
[Street]

\_\_\_\_\_  
[City]

\_\_\_\_\_  
[County]

\_\_\_\_\_  
[State and Zip Code]

I promise and I agree with Lender as follows:

##### I. BORROWER'S AGREEMENT ABOUT OBLIGATION UNDER THE NOTES AND MORTGAGES

I agree to take over all of the obligations under the Notes and Mortgages as consolidated and modified by this Agreement as Borrower. This means that I will keep all of the promises and agreements made in the Notes and Mortgages even if some other person made those promises and agreements before me. The total unpaid principal balance of the Notes is U.S. \$ (data field 1) of this amount, U.S. \$ (data field 2) was advanced to me (or for my account) immediately prior to this consolidation.

[Back](#)



## **II. AGREEMENT TO COMBINE NOTES AND MORTGAGES**

(A) By signing this Agreement, Lender and I are combining into one set of rights and obligations all of the promises and agreements stated in the Notes and Mortgages including any earlier agreements which combined, modified, or extended rights and obligations under any of the Notes and Mortgages. This means that all of Lender's rights in the Property are combined so that under the law Lender has one mortgage and I have one loan obligation which I will pay as provided in this Agreement. This combining of notes and mortgages is known as a "Consolidation."

(B) In the event that Exhibit A indicates that all of the Notes and Mortgages have already been combined by a previous agreement, then Lender and I agree to change the terms of Section II, paragraph (A) of this Agreement to the following:

Lender and I agree that all of the promises and agreements stated in the Notes and Mortgages -- including any earlier agreements which combined, modified, or extended rights and obligations under any of the Notes and Mortgages -- have been combined into one set of rights and obligations by an earlier agreement which is referred to in Exhibit A. This means that all of the Lender's rights in the Property have already been combined so that under the law Lender already has one mortgage and I have one loan obligation which I will pay as provided in this Agreement. The combining of notes and mortgages is known as a "Consolidation."

## **III. AGREEMENT TO CHANGE TERMS OF THE CONSOLIDATED NOTE**

Lender and I agree that the terms of the Notes are changed and restated to be the terms of the "Consolidated Note" which is attached to this Agreement as Exhibit C. The Consolidated Note contains the terms of payment for the amounts that I owe to Note Holder. I agree to pay the amounts due under the Notes in accordance with the terms of the Consolidated Note. The Consolidated Note will supersede all terms, covenants, and provisions of the Notes.

## **IV. AGREEMENT TO CHANGE TERMS OF THE CONSOLIDATED MORTGAGE**

Lender and I agree that the terms of the Mortgages are changed and restated to be the terms of the "Consolidated Mortgage" which is attached to this Agreement as Exhibit D. The Consolidated Mortgage secures the Consolidated Note and will constitute in law a single lien upon the Property. I agree to be bound by the terms set forth in the Consolidated Mortgage which will supersede all terms, covenants, and provisions of the Mortgages.

## **V. NO SET-OFF, DEFENSES**

I agree that I have no right of set-off or counterclaim, or any defense to the obligations of the Consolidated Note or the Consolidated Mortgage.

## **VI. BORROWER'S INTEREST IN THE PROPERTY**

I promise that I am the lawful owner occupying the Property and that I have the right to consolidate, modify, and extend the Notes and Mortgages.

## **VII. WRITTEN TERMINATION OR CHANGE OF THIS AGREEMENT**

This Agreement may not be terminated, changed, or amended except by a written agreement signed by the party whose rights or obligations are being changed by that agreement.

## **VIII. OBLIGATIONS OF BORROWERS AND OF PERSONS TAKING OVER BORROWER'S OR LENDER'S RIGHTS OR OBLIGATIONS**

If more than one person signs this Agreement as Borrower, each of us is fully and personally obligated to keep all of Borrower's promises and obligations contained in this Agreement. The Note Holder may enforce its rights under this Agreement against each of us individually or against all of us together.

The terms of the Consolidated Note and the Consolidated Mortgage may not allow any person to take over my rights or obligations under this Agreement. Lender and I agree that if any person is permitted to take over my rights and obligations under this Agreement, that person will have all of my rights and will be obligated to keep all of my promises and agreements made in this Agreement. Similarly, any person who takes over Lender's rights or obligations under this Agreement will have all of Lender's rights and will be obligated to keep all of Lender's agreements made in this Agreement.

## **IX. LIEN LAW**

I will receive all amounts lent to me by Lender subject to the trust fund provisions of Section 13 of the New York Lien Law. This means that I will: (A) hold all amounts which I receive and which I have a right to receive from Lender under the Consolidated Note as a "trust fund;" and (B) use those amounts to pay for "cost of improvement" (as defined in the New York Lien Law) before I use them for any other purpose. The fact that I am holding those amounts as a "trust fund" means that for any building or other improvement located on the Property I have a special responsibility under the law to use the amount in the manner described in this Section IX.



**X. TYPE OF PROPERTY**

Check box(es) as applicable.

- ☐ This Agreement covers real property principally improved, or to be improved, by one or more structures containing, in the aggregate, not more than six (6) residential dwelling units with each dwelling unit having its own separate cooking facilities.
- ☐ This Agreement covers real property improved, or to be improved, by a one (1) or two (2) family dwelling.
- ☐ This Agreement does not cover real property improved as described above.

By signing this Agreement, Lender and I agree to all of the above.

\_\_\_\_\_  
- Lender

\_\_\_\_\_  
- Borrower

By: \_\_\_\_\_

\_\_\_\_\_  
- Borrower

\_\_\_\_\_  
[Space Below This Line For Acknowledgment]



## INSTRUCTIONS

The following instructions apply if this Agreement is used in a consolidation, extension, or modification of a single family loan intended for possible sale to Fannie Mae or Freddie Mac.

- (1) All notes, security instruments, assignments, the most recent consolidation agreement and related agreements that modify, consolidate, or extend prior underlying obligations and which predate this Agreement must be listed in Exhibit A to this Agreement. The language in Exhibit A to this Agreement is only a sample and may be revised as appropriate.

If any new money is advanced, number (1) on Exhibit A should refer to both (a) the "Gap" Mortgage (i.e., the new money mortgage discussed in (5) below), and (b) the "Gap" Note (i.e., new money note discussed in (5) below).

- (2) The metes and bounds description of the Property must be set forth in Exhibit B to this Agreement.
- (3) The Consolidated Note must be the current version of the applicable Single Family Fannie Mae/Freddie Mac Uniform Note (e.g., Forms 3233, 3501, 3502, 3504, or 3514) with the following language inserted at the top of the document:

For Fixed Rate Notes:

### CONSOLIDATED NOTE

**This Note amends and restates in their entirety, and is given in substitution for, the Notes described in Exhibit A of the New York Consolidation, Extension, and Modification Agreement dated the same date as this Note.**

For Adjustable Rate Notes:

### CONSOLIDATED ADJUSTABLE RATE NOTE

**This Note amends and restates in their entirety, and is given in substitution for, the Notes described in Exhibit A of the New York Consolidation, Extension, and Modification Agreement dated the same date as this Note.**

The Consolidated Note, with all blanks completed, and any applicable addendum or addenda, must be executed by the Borrower(s) and a copy of the executed Consolidated Note must be attached hereto as Exhibit C. The repayment terms of the Consolidated Note (e.g., the consolidated principal amount, the monthly principal and interest payment, the interest rate and provisions for any interest rate and monthly payment changes applicable to the consolidated obligations) must be set forth in the Consolidated Note. The dollar amount entered in the first blank in Section I of this Agreement and the consolidated principal amount of the Consolidated Note must be the same.

- (4) The Consolidated Mortgage must be the current version of the New York Single Family Fannie Mae/Freddie Mac Uniform Instrument (Form 3033). The Consolidated Mortgage, with all blanks completed, and any applicable riders (such as an adjustable rate rider), must be attached hereto as Exhibit D. The Consolidated Mortgage need not be signed by the Borrower(s). The dollar amount entered in the first blank in Section I of this Agreement and the dollar amount entered in the corresponding blank in the Consolidated Mortgage must be the same.
- (5) If new funds are advanced at the time of the consolidation and modification evidenced by this Agreement, the new obligation must be evidenced by an original of the new money note (the "Gap" Note) and an original of the new money mortgage (the "Gap" Mortgage) on the current Fannie Mae/Freddie Mac Single Family Uniform Instrument (Form 3033). The dollar amount entered in the second blank in Section I of this Agreement and the dollar amount entered in the corresponding blank on the Gap Note and Gap Mortgage must be the same. If no new funds are advanced at the time of the consolidation and modification, then the second blank in Section I of this Agreement should be zero. This new loan will then become a part of the Consolidated Note and the Consolidated Mortgage. It is not necessary that the repayment terms of the new loan, as set out in the Gap Note, reflect the terms of the Consolidated Note.



**Consolidation, Extension, and Modification Agreement****Job Aid #7****EXHIBIT A**  
(List of Mortgages, Notes, and Agreements)

(1) This Mortgage given by \_\_\_\_\_ and dated \_\_\_\_\_ in favor of \_\_\_\_\_ securing the original principal amount of U.S. \$ \_\_\_\_\_ (data field 3). This Mortgage [is on a Fannie Mae/Freddie Mac Security Instrument and will be recorded together with this Agreement.] [was recorded on \_\_\_\_\_, \_\_\_\_\_, in the \_\_\_\_\_ of \_\_\_\_\_, State of New York, at \_\_\_\_\_.] [Strike and complete as appropriate.] At this date, the unpaid principal balance secured by this Mortgage is U.S. \$ \_\_\_\_\_. [Strike if not applicable.] This Mortgage secures a Note dated \_\_\_\_\_, \_\_\_\_\_. This Mortgage was assigned to \_\_\_\_\_ by Assignment of Mortgage dated \_\_\_\_\_, \_\_\_\_\_ and recorded on \_\_\_\_\_, \_\_\_\_\_ in the \_\_\_\_\_ of \_\_\_\_\_, State of New York, at \_\_\_\_\_. [Strike and complete as appropriate.]

(2) This Mortgage given by \_\_\_\_\_ and dated \_\_\_\_\_ in favor of \_\_\_\_\_ securing the original principal amount of U.S. \$ \_\_\_\_\_. This Mortgage was recorded on \_\_\_\_\_, \_\_\_\_\_ in the \_\_\_\_\_ of \_\_\_\_\_, State of New York, at \_\_\_\_\_. At this date, the unpaid principal balance secured by this Mortgage is U.S. \$ \_\_\_\_\_. [Strike if not applicable.] This Mortgage secures a Note dated \_\_\_\_\_, \_\_\_\_\_. This Mortgage was assigned to \_\_\_\_\_ by Assignment of Mortgage dated \_\_\_\_\_, \_\_\_\_\_ and recorded on \_\_\_\_\_, \_\_\_\_\_ in the \_\_\_\_\_ of \_\_\_\_\_, State of New York, at \_\_\_\_\_. [Strike and complete as appropriate.]

(3) This Mortgage given by \_\_\_\_\_ and dated \_\_\_\_\_ in \_\_\_\_\_ favor \_\_\_\_\_ of \_\_\_\_\_ securing the original principal amount of U.S. \$ \_\_\_\_\_. This Mortgage was recorded on \_\_\_\_\_, \_\_\_\_\_ in the \_\_\_\_\_ of \_\_\_\_\_, State of New York, at \_\_\_\_\_. At this date, the unpaid principal balance secured by this Mortgage is U.S. \$ \_\_\_\_\_. [Strike if not applicable.] This Mortgage secures a Note dated \_\_\_\_\_, \_\_\_\_\_. This Mortgage was assigned to \_\_\_\_\_ by Assignment of Mortgage dated \_\_\_\_\_, \_\_\_\_\_ and recorded on \_\_\_\_\_, \_\_\_\_\_ in the \_\_\_\_\_ of \_\_\_\_\_, State of New York, at \_\_\_\_\_. [Strike and complete as appropriate.]



## EXHIBIT B

(Property Description)

ALL that certain lot, piece or parcel of land, with the building thereon erected, situate, lying and being in the Borough of Manhattan, City, County and State of New York bounded and described as follows:

BEGINNING at the corner formed by the intersection of the westerly side of Park Avenue North with the northerly side of Thirty-Third Street;

THENCE northerly and along the westerly side of Park Avenue North 230 feet; THENCE westerly parallel with the northerly side of Thirty-Third Street 180 feet;

THENCE southerly parallel with the westerly side of Park Avenue North 230 feet to the northerly side of Thirty-Third Street;

THENCE easterly along the northerly side of Thirty-Third Street 180 feet to the point or place of BEGINNING.

SECTION: 6

BLOCK: 1614

LOT: 12

ADDRESS: 404-480 Park Avenue  
North New York City, New York





## EXHIBIT C

(Consolidated Note and Addenda)

### CONSOLIDATED NOTE

This Note amends and restates in their entirety, and is given in substitution for, the Notes described in Exhibit A of the New York Consolidation, Extension, and Modification Agreement dated the same date as this Note.

\_\_\_\_\_  
[Date]

\_\_\_\_\_  
[City][State]

\_\_\_\_\_  
[Property Address]

#### 1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$ \_\_\_\_\_ (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is \_\_\_\_\_.  
I will make all payments under this Note in the form of cash, check or money order.  
I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

#### 2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of \_\_\_\_\_.  
The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 6(B) of this Note.

#### 3. PAYMENTS

##### (A) Time and Place of Payments

I will pay principal and interest by making a payment every month.  
I will make my monthly payment on the \_\_\_\_\_ day of each month beginning on \_\_\_\_\_. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on \_\_\_\_\_, 20, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date." I will make my monthly payments at \_\_\_\_\_ or at a different place if required by the Note Holder.

##### (B) Amount of Monthly Payments

My monthly payment will be in the amount of U.S. \$ \_\_\_\_\_.

#### 4. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under the Note. I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount, before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due date or in the amount of my monthly payment unless the Note Holder agrees in writing to those changes.



## EXHIBIT D

(Consolidated Mortgage and Riders)

After Recording Return To:

Any Bank Mortgage Corp

1234 Any Street

Any City, NY 11590

QUEENS

SECTION: 70

BLOCK: 12345

LOT: 100

PROPERTY COUNTY:

Prepared By: Jane Doe

1234 Any Street

Any City, NY 11590

[Space Above This Line For Recording Data]

### MORTGAGE



## 8.0 Job Aid # 7: CO-OPs

Please click the link below to access the CO-OP reference guide:

[Co-Op Share Loan Documentation Requirement](#) and refer to the “What’s New” Section

## 9.0 Job Aid # 8: Re-Amortized (Recast) Modifications

Please note that Recast Loans submitted to Fannie Mae must be delivered with a Fannie Mae Form 181 (Agreement for Modification, Re-Amortization, or Extension of a Mortgage). Recast Loans are subject to the usual RDC certification requirements, except as follows:

If a Form 181 is delivered with the mortgage note, the Document Custodian will validate the P&I in the loan data against the P&I reflected in paragraph 3 of the Form 181 instead of from the mortgage note. The Document Custodian will not validate signatures, originality, recordation information, or any other characteristics of the Form 181 itself.

**Note:** For Recast Loans where the promissory note was delivered to Fannie Mae as an eNote, Form 181 must be eDelivered to Fannie Mae’s eVault and be accessible via Fannie Mae’s eVault.

Refer to Form 181 sample below (note that Form 181 is referenced in the footer).



[Space Above This Line For Recording Data]

## AGREEMENT FOR MODIFICATION, RE-AMORTIZATION, OR EXTENSION OF A MORTGAGE

This Agreement for Modification, Reamortization, or Extension of a Mortgage ("Agreement"), made this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, between \_\_\_\_\_ ("Borrower") and \_\_\_\_\_ ("Lender"), amends and supplements (1) the Mortgage, Deed of Trust, or Security Deed ("Security Instrument") dated \_\_\_\_\_ and recorded in Book or Liber \_\_\_\_\_, at page(s) \_\_\_\_\_, of the \_\_\_\_\_ Records of \_\_\_\_\_, (2) the Note, bearing the same date as, and secured by,

(County and State, or other Jurisdiction)  
the Security Instrument, and (3) prior extensions or modifications of the Note and Security Instrument, if any. The Note and Security Instrument, together with any prior extensions or modifications thereof, are referred to in this Agreement as the "Mortgage," and the Mortgage covers the real and personal property described in the Security Instrument and defined therein as the "Property", located at

\_\_\_\_\_,  
(Property Address)  
the real property described being set forth as follows:

In consideration of the mutual promises and agreements exchanged, the parties hereto agree as follows (notwithstanding anything to the contrary contained in the Mortgage):

1. Under the terms of the Mortgage, there remains unpaid as of the first day of the month in which this Agreement is made, the sum of U.S. \$ \_\_\_\_\_ of principal, \$ \_\_\_\_\_ of interest thereon, \$ \_\_\_\_\_ of advances made by the Lender thereunder, and U.S. \$ \_\_\_\_\_ of interest on such advances, aggregating a total sum of U.S. \$ \_\_\_\_\_ for which amount the Borrower is indebted to the Lender under the Mortgage.
2. Lender has accepted or will hereby accept from the Borrower the sum of U.S. \$ \_\_\_\_\_, which is to be applied to the unpaid principal balance (including advances, if any), and the sum of U.S. \$ \_\_\_\_\_, which is to be applied to the delinquent interest due on the principal balance (including advances, if any), each of which amounts shall be applied as of the date of this Agreement.
3. After application of the amounts provided by Borrower as described in paragraph 2, Borrower promises to pay to Lender U.S. \$ \_\_\_\_\_ ("Unpaid Principal Balance") plus interest on the Unpaid Principal Balance at the yearly rate of \_\_\_\_\_ % from \_\_\_\_\_. The interest rate Borrower will pay may change in accordance with the terms of the Mortgage. The amount of the Borrower's monthly payment of principal and interest is U.S. \$ **P&I** \_\_\_\_\_, which amount shall be paid to Lender beginning on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_. The amount of Borrower's monthly payment may change in accordance with the terms of the Mortgage. Borrower will continue to make monthly payments on the same day of each succeeding month until principal and interest are paid in full. If on \_\_\_\_\_ ("Maturity Date"), Borrower still owes amounts under the Mortgage as amended by this Agreement, Borrower will pay these amounts in full on the Maturity Date.
4. If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by the Mortgage.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by the Mortgage. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by the Mortgage without further notice or demand on Borrower.



Borrower also will comply with all other covenants, agreements, and requirements of the Mortgage, including without limitation, Borrower's covenants and agreements to make all payments of taxes, insurance premiums, assessments, escrow items, impounds, and all other payments that Borrower is obligated to make under the Mortgage.

6. Borrower understands and agrees that:

- (a) All the rights and remedies, stipulations, and conditions contained in the Mortgage relating to default in the making of payments under the Mortgage shall also apply to default in the making of the modified payments hereunder.
- (b) All covenants, agreements, stipulations, and conditions in the Mortgage, shall be and remain in full force and effect, except as herein modified, and none of the Borrower's obligations or liabilities under the Mortgage shall be diminished or released by any provisions hereof, nor shall this Agreement in any way impair, diminish, or affect any of Lender's rights under or remedies on the Mortgage, whether such rights or remedies arise thereunder or by operation of law. Also, all rights of recourse to which Lender is presently entitled against any property or any other persons in any way obligated for, or liable on, the Mortgage are expressly reserved by Lender.
- (c) Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Mortgage.
- (d) Borrower agrees to make and execute such other documents or papers as may be necessary or required to effectuate the terms and conditions of this Agreement which, if approved and accepted by Lender, shall bind and inure to the heirs, executors, administrators, and assigns of Borrower.

\_\_\_\_\_  
-Lender (Seal)

\_\_\_\_\_  
-Borrower (Seal)

By: \_\_\_\_\_

\_\_\_\_\_  
-Borrower (Seal)

\_\_\_\_\_  
Date of Lender's Signature

## 10.0 Job Aid # 9: Renovation Loan Agreement

Please note that a Renovation Loan Agreement may be delivered with the mortgage note. The Form 3731 is the Fannie Mae standard form of Renovation Loan Agreement; however, lenders may choose to use their form of agreement (non-standard form).

If a Form 3731 or a non-standard form of Renovation Loan Agreement is delivered with the mortgage note, the Document Custodian will validate:

1. The original loan amount matches the note;
2. The presence of an original signature by the borrower(s) and a signature by the lender; and,
3. That the notary stamp is current if the agreement is notarized
4. The property address matches the note

Refer to image of sample Fannie Mae Form 3731 below:



HomeStyle  
Renovation Template



## 11.0 Job Aid # 10: Receipt of Paper Note Converted from eNote

Note that certain situations may necessitate an eNote, previously sold to Fannie Mae, be converted to a paper Note and subsequently maintained by a Document Custodian. In the event a Document Custodian receives a paper note from a Fannie Mae servicer which is indicated to be a “PAPER NOTE – CONVERTED FROM eNOTE”, the custodian should coordinate with the servicer to obtain data to board the note to their system for safe keeping.

Upon receipt of an eNote Converted to Paper, the Document Custodian must ensure:

- The printed Authoritative Copy of the converted eNote includes evidence that the Servicer was in Control at the time of the Conversion to Paper and that the final status of the eNote on the MERS eRegistry is INACTIVE - Convert to Paper. Document Custodian should receive one of the following documents to confirm this requirement:
  - MERS eRegistry Summary Report
  - MERS eRegistry Electronic Record Transaction History Convert to Paper
  - eVault History Report
- The Servicer has completed an endorsement to blank and without recourse.
- If the eNote was executed with a POA, a copy of the POA is present.
- Property address on Note matches address provided by servicer in loan data.

## 12.0 Job Aid # 11: Certification Requirements in Document Certification

### 12.1 Handling of Data and Document Discrepancies during Certification

During the review of documents against data, document custodian identifies:

#### 12.1.1 Data Exception Only

- ☐ The Document Custodian will submit suggested data revision(s) in Document Certification based on the data from the note. Once submitted, the data is locked, and the document custodian no longer has the capability to make changes in Document Certification. The suggested data revision(s) will be reviewed by the lender in Loan Delivery. The lender must agree with all suggested revisions before accepting the changes. If the lender disagrees with one or any of the suggested revisions, they must decline and contact their document custodian.
- ☐ If lender *accepts* the suggested data revision(s), the loan status will change to ‘Qualified-Cert’ in Document Certification. The document custodian must sync up their internal system to match the loan data and loan status in Document Certification.
- ☐ If lender *declines* the suggested data revision(s), the loan status will return to ‘Pending’ in Document Certification. The document custodian and lender must consult to determine the corrective action for the document.

#### 12.1.2 Document Exception Only

- ☐ The Document Custodian and lender must consult external to Document Certification to determine the corrective action for the document exception(s).





Corrections for document exception(s) must be received before the loan is certified in Document Certification. The document custodian should flag the loans in every instance there is a document exception.

### 12.1.3 Data and Document Exception

- ☐ The document custodian **must** first flag loan in Document Certification as a document failure before submitting data revision(s).
- ☐ The document custodian and the lender must consult external to Document Certification to resolve the document exception(s).
- ☐ Upon receipt and review of the corrective document(s), document custodian must manually remove the document exception flag on the loan for the loan status to change to 'Qualified-Cert' status in Document Certification.
- ☐ If lender *accepts* the suggested data revision(s), the loan status will change to 'Qualified-Cert' in Document Certification. The document custodian must sync up their internal system with the loan status and loan data in Document Certification.
- ☐ If lender *declines* the suggested data revision(s), the loan status will return to 'Pending' in Document Certification. The document custodian and lender must consult to determine the corrective action for the document.

Data Revision: Lender Response	Document Flag	Document Certification Status
Accept	Yes	Revised
Decline	Yes	Pending



## 12.2 Data Corrections for Non-Editable Fields in Document Certification

A discrepancy to the following data fields is considered a Document Fail because the document custodian does not have the ability to submit data revision(s).

If a data discrepancy is identified in any of the below fields, the document custodian will notify the seller of the discrepancy and request that [they follow the instructions outlined in the Cancel Certification Job Aid to resolve the issue.](#)

1. Bailee / 2004A Name
2. InterestRateRoundingType
3. InterestRateRoundingPercent
4. InterestAndPaymentAdjustmentIndexLeadDaysCount
5. InvestorFeatureIdentifier
6. MERS/MINIdentifier
7. ProjectLegalStructureType
8. InvestorOwnershipPercent
9. SFC 159 (If an original note instead of an LNA is received)
10. SFC 508 (If a paper note instead of an eNote is delivered)

Note: Since data in the Document Certification Application is maintained for only 6 months, Document Custodians must ensure that certification evidence required for annual audits is retrieved and saved monthly.

## 12.3 Daily Reconciliation Email for ASAP+ Loans

On a daily basis, the document custodian will retrieve all ASAP+ loans pending certification from the Document Certification application. Document Custodians must comply with the ASAP+ intraday SLA and will certify the ASAP+ loans by 3:00 PM EST daily. Document Custodians will report to Fannie Mae by 3:00 PM EST on a daily basis the total number of ASAP+ loans certified on that day as well as any issues preventing the certification of any ASAP+ loans in Document Certification.

The email address to be used to report the daily reconciliation of ASAP+ loans is: [early\\_funding@fanniemae.com](mailto:early_funding@fanniemae.com).

And the following email addresses should be in the 'Cc' list of the email: \_

[Certification\\_SF@fanniemae.com](mailto:Certification_SF@fanniemae.com)

[Andrea\\_x\\_Casey@fanniemae.com](mailto:Andrea_x_Casey@fanniemae.com)

[Anita\\_cooper@fanniemae.com](mailto:Anita_cooper@fanniemae.com)

Document Custodian's specific POCs

The 'Subject' line of email must read as:

**<DOCUMENT CUSTODIAN NAME> - FINAL DAY UPDATE FOR ASAP+ LOANS FUNDING <MM.DD.YYYY>**

The following verbiage must be included in the body of the email:

**Please see final count for ASAP+ loans below:**

**Total Number of ASAP+ loans retrieved from Document Certification for Certification - <<Total number of loans retrieved>>**

**Number of ASAP+ Loans Certified on the day - <<Number of loans certified>>**



**Number of ASAP+ Loans Failed Certification on the day - <<Number of loans that failed>>**

Status	Lender	Loan Number	Reason	Fannie Mae Date	<Custodian> Data	<Custodian> Comments
FAILED	LENDER1	XXXXXXX97	Close date	12/7/2017	Dec 11, 2017 12:00AM	NOTE READS Dec 11 2017
FAILED	LENDER2	XXXXXXX45	Address	6630 Carleton Ave S Unit E	6630 Carleton Ave S E	NOTE READS 6630 Carleton Ave S E

[Back](#)



## 12.4 Service Level Agreements (SLA) for Daily Loan Certification

Current day's production includes data received in Document Certification with prior day's Submission Date where physical documents received current day or prior. Certification for loans in this category must be completed within the daily agreed upon SLA. Below is the Fannie Mae Loan Certification SLA for each product type:

Product Type	SLA for Certification
ASAP+	3:00 PM EST
CASH	4:00 PM EST
ASAP	4:00 PM EST
MBS	4:00 PM EST

## 12.5 Point Of Contact (POC) for Document Certification Related Issues

To report any issues that are encountered in the Document Certification application, a dedicated email address is available for document custodians to contact Fannie Mae.

The document custodian should utilize the Custodian Oversight Mailbox at: [custodian\\_oversight@fanniemae.com](mailto:custodian_oversight@fanniemae.com).

The 'Subject' line of all email inquiries must read as:

**Document Custodian Name/Document Certification Issue: <<Issue Description>>**

**NOTE:** Should the document custodian experience a specific application-related issues, you may also click the link below for application support options: <https://www.fanniemae.com/singlefamily/technology-support>

## 13 Additional Information

For more information on Fannie Mae's document custodian requirements, please visit our webpage at: [www.fanniemae.com/singlefamily/document-custodians](https://www.fanniemae.com/singlefamily/document-custodians). For questions, contact your Fannie Mae representative or call our Technology Support Center at 800-2FANNIE.

For mapping of field names to the upload and download files, please visit the Document Certification user guide by following this link: [https://www.fanniemae.com/content/user\\_guide/document-certification-user-guide-new.pdf](https://www.fanniemae.com/content/user_guide/document-certification-user-guide-new.pdf)



## 14 Document Revision History

Date	Version	Description
August-December 2019	2.0	<ul style="list-style-type: none"> <li>• Job Aid #1: Updated the Data Certification &amp; Document Review tables and replaced the Fixed and Adjustable Note examples (images) with most recent published versions</li> <li>• Added Job Aid: Bailee Processing</li> <li>• Added Job Aid: New Certification Requirements in Document Certification</li> <li>• Updated section 7.3 with new CEMA images</li> <li>• Updated section 7.3 exhibits with examples</li> <li>• Removed section 7.3.1: Definitions of common terms as they are included in the CEMA examples</li> <li>• Job Aid #2: Page 16 – Updated the Acceptable Endorsements section to include additional verbiage in final paragraph and new “Acceptable DBA Endorsement”, See row 2 of chart for example.</li> </ul>
October 2019 - April 2022	3.0	<ul style="list-style-type: none"> <li>• Added Section #s throughout document</li> <li>• Section 1: Clarified verbiage; removed the assignment as a certification documentation requirement</li> <li>• Section 1.1: Revised for clarity and to align with RDC</li> <li>• Section 1.2: Revised for clarity and to align with RDC</li> <li>• Section 2.0: Revised for clarity</li> <li>• Section 3.1: Revised for clarity</li> <li>• Section 5: Added general requirements for bailee processing</li> <li>• Section 5.1: Updated the heading and steps for reviewing &amp; resolving bailee processing issues</li> <li>• Section 5.2: Updated the steps for addressing bailee certification errors identified by Document Custodian <ul style="list-style-type: none"> <li>○ Deleted Document Section Titled: Document Custodian Certification Error Remediation</li> </ul> </li> <li>• Section 5.3: Updated the guidance for seller &amp; warehouse lender incorrect setup</li> <li>• Section 5.4: Updated contact information</li> <li>• Removed the section pertaining to assignment requirement</li> <li>• Section 9.0: Added requirements for reviewing Recast Modification Agreement (Form 181)</li> <li>• Section 9.4: Added additional requirements</li> <li>• Section 10.0: Added requirement for reviewing HomeStyle (HSR) Renovation Agreements</li> <li>• Section 11.0: Re-numbered Job Aid #10 (Certification Requirements in Document Certification) <ul style="list-style-type: none"> <li>○ Reordered these sections</li> </ul> </li> </ul>
August 2025	4.0	<ul style="list-style-type: none"> <li>• Section 6.0: Added two acceptable forms of POA signatures.</li> </ul>
		<ul style="list-style-type: none"> <li>• Section 9.0: Added requirements for reviewing Recast Modification Agreement (Form 181) related to eNotes</li> </ul>
		<ul style="list-style-type: none"> <li>• Added New Section 11.0 Job Aid # 10: Receipt of Paper Note Converted from eNote</li> </ul>
		<ul style="list-style-type: none"> <li>• Section 12.2: Revised instruction for resolving Non-Editable data fields in Doc Cert.</li> </ul>