



# Delivering MBS Securities Frequently Asked Questions

These frequently asked questions (FAQs) provide information about MBS transactions. Refer to the Fannie Mae [Selling Guide](#) for details. To learn more about MBS transactions, call our Capital Markets Pricing & Sales Desk at 1-800-752-0257

**Q1. What is the minimum and maximum maturity on single-issuer and Fannie Majors pools?**

See the table below for complete information on original loan term parameters.

MBS – Original Loan Term Parameters – Single Issuer Pools and Majors Pools		
Prefix	Product	Term
CL	30-year	181-360 months
CT	20-year	181-240 months
CI	15-year	85-180 months
CN	10-year	85-120 months
CK	30-year High Balance	181-360 months
CJ	15-year High Balance	85-180 months
CQ	30-year Refi LTVs 105.01% - 125%	181-360 months
CR	30-year LTV Refi loans - 125%+	181-360 months
CV	15-year Refi LTVs 105.01% - 125%	85-180 months
CW	15-year High Refi LTVs 125%+	85-180 months

See [Pool Prefix Glossary](#) for more information.

**Q2. Can seasoned loans be pooled into MBS?**

Yes. There are no minimum or maximum seasoning requirements for mortgages included in a single-issuer pool. However, the maximum seasoning requirement on Majors pools is >6 months.

It is highly recommended that lenders review the Seasoned Mortgages section [Selling Guide](#) and the Seasoned Mortgage Loan Requirements table within that section for other requirements pertaining to seasoned loans.

**Q3. What is the minimum size for a single-issuer pool?**

\$1,000,000 for fixed-rate securities; \$500,000 for ARMs.

**Q4. Are Majors pools considered good delivery against a TBA trade?**

Yes. [More on Fannie Majors](#).



**Q5. What settlement date can I choose for a Fannie Majors pool?**

Lenders may choose any business day within the issue month of the Major for settlement of a Fannie Majors pool. Please see section [C3-6-01 of the Selling Guide](#) for more information.

**Q6. What is the maximum amount that a guaranty fee can be bought up or down?**

The guaranty fee cannot be bought up by more than 25 basis points, nor bought down to a number less than 0.

**Q7. What is the maximum note rate that can be placed in a TBA-eligible fixed-rate Fannie Mae security?**

Fixed-rate mortgages with different note rates can be included in the same MBS pool, but the minimum note rate must be 25 basis points above the pool's coupon and the maximum note rate cannot be greater than 112.5 basis point above the pool's coupon.

**Q8. What is the maximum amount of high-balance loans which can be included in a TBA MBS pool?**

Referred to as the “de minimis” rule, no more than 10% of the issue date UPB of a TBA MBS pool can be comprised of high-balance loans. In addition, nonstandard loans or loans with nonstandard characteristics such as co-op share loans, relocation loans and loans with significant interest rate buy-downs cannot comprise more than 10% of a TBA MBS pool. If loans with more than one of the nonstandard characteristics are included in the same TBA pool, the total may not exceed 15% of the pool original UPB. The 15% cumulative limitation does not apply to high-balance loans.

**Q9. Are Majors pools subject to the same de minimis requirements as single-issuer TBA pools?**

Yes. Each delivery made into a TBA-eligible MBS Majors pool must meet the same de minimis limitations which apply to single-issuer TBA-eligible pools. (See Q4-Q6 for more information on Fannie Majors.)

**Q10. Can High LTV Refinance loans be included in TBA pools?**

High LTV Refinance loans with LTV  $\leq$  105.00% can be included in TBA-eligible pools. Loans with LTV  $>$  105.00% are pooled with a separate pool prefix (CQ or CR for 30 year and CV or CW for 15 year). [Fannie Mae's Pool Prefix Glossary](#).

**Q11. How does a lender establish an MBS trading account with Fannie Mae's Capital Markets Sales Desk?**

We require that a lender be an approved seller with Fannie Mae before establishing an MBS trading relationship. To discuss a trading account, please contact the Capital Markets Pricing & Sales Desk at 1-800-752-0257. [MBS trading operations guidelines](#).

**Q12. What is the maximum principal difference that can be delivered into TBA trade?**

For each TBA trade, the delivery tolerance is 0.01%. Therefore, the delivered amount cannot be more than 0.01% plus or minus the original trade amount. This equates to \$100 per \$1,000,000 trade.



Q13. **What is the last day of the month to deliver into a Major for that month's pool issuance?**

The last day to submit loans for pooling into single-issuer or Majors pools is the sixth business day before the end of the month. This date is published monthly on the [Pool Settlement Calendar](#).

Q14. **How do I request pool or CUSIP numbers?**

Single-issuer pool and CUSIP numbers are available to order through Loan Delivery. For a list of available Majors pool numbers please see [Fannie Majors Open Pools](#).

Q15. **Where can I get more information on MBS transactions?**

For more information, please refer to our [MBS Pool Transactions Overview document](#) and [Capital Markets Operations Guidelines](#) both located on our [Pricing and Execution page](#) on fanniemae.com. Additional information may also be found in the [Selling Guide, Part C, Selling, Securitizing, and Delivering Loans](#).