



## **DELIVERY OF MORTGAGE COLLATERAL PROCEDURES**

### **Members in Delivery Status (the Possession collateral category)**

When the Federal Home Loan Bank of New York (“FHLBNY”) requires physical delivery of Mortgage Collateral to the FHLBNY or a third party custodian, submission files containing documentation for each mortgage loan must be assembled. While the FHLBNY's documentation requirements are generally similar across all Mortgage Collateral types, there are certain variations by property types and some geographic locations. The FHLBNY's documentation requirements are stated below and again in "checklist" form. This detailed document and the checklists are both available using the hyperlinks below and separately on the FHLBNY's website at [www.fhlbny.com/members/forms-agreements-page/#general-collateral-forms](http://www.fhlbny.com/members/forms-agreements-page/#general-collateral-forms).

### **Members to Maintain Copies or Images of All Delivered Documents**

MEMBERS ARE RESPONSIBLE FOR ENSURING THEY MAINTAIN AN ELECTRONIC IMAGE OR HARD COPY OF ALL DOCUMENTS DELIVERED TO THE FHLBNY OR IT'S THIRD PARTY CUSTODIAN FOR ALL MORTGAGE COLLATERAL TYPES.

### **Regulatory Compliance with All Local, State and Federal Anti-Predatory Lending Legislation and the Inter-Agency Guidance for Sub-Prime and Non-Traditional Mortgage Lending**

Members should comply in all material respects with applicable local, state, and federal laws, including, but not limited to, all applicable predatory lending laws. Further, Members should be able to certify that the loans listed and delivered (or scheduled to be) on its periodic data submission:

1. Comply in all material respects at the time the loans were made, with applicable local, state, and federal laws, including, but not limited to, all applicable anti-predatory lending laws, laws covering fair housing, fair credit reporting, truth in lending, real estate settlement procedures, community reinvestment, homeowners' equity protection, soldiers' and sailors' civil relief, and equal credit opportunity, the Predatory Lending Considerations, Underwriting Standards and Consumer Protection Principles sections of the Interagency Guidance on Subprime Loans and the Loan Terms and Underwriting Standards and the Consumer Protection Issues sections of the Interagency Guidance for Nontraditional Loans.
2. Are not “high cost” or “high rate” loans, or loans in similar categories, as such terms may be defined in federal laws or the statutes or ordinances of various state or local jurisdictions; and
3. Are not mortgage loans with an effective origination date of October 1, 2004, or afterwards, containing mandatory arbitration clauses with respect to dispute resolution.

**ALL MORTGAGES TO BE DELIVERED MUST BE APPROVED BY COLLATERAL DOCUMENTATION PERSONNEL PRIOR TO SCHEDULING A DELIVERY.**

**ALL LOANS MUST BE SUCCESSFULLY REPORTED ON THE MONTHLY DATA FILE AND PASS ALL DOCUMENT REVIEW OF UPLOADED DOCUMENT IMAGES BEFORE DELIVERIES MAY BE CONSIDERED.**

### **Sections**

- A. [1-4 Family Loan Required Documents](#)
- B. [Co-op Loan Required Documents](#)
- C. [Manufactured Housing Loan Required Documents](#)
- D. [Multifamily/Commercial Loan Required Documents](#)
- E. [Sending the Mortgage Collateral Data File to the FHLBNY](#)

## A. 1-4 Family and Condominium Loan Required Documents

### Completed FHLBNY [1-4 Family Loan Document Checklist \[COL-110\]](#)

Include the original LTV ratio.

#### Original Note

\*Endorsed as "Pay to the order of “      (blank)      ”. The endorsement must be signed by an officer of the member institution and include the officer’s name and title clearly typed beneath the officer’s signature line. Attach any allonge\*\* to the note, if applicable. An illustration of an appropriately completed endorsement follows:

**Pay to the order of:**

\_\_\_\_\_

**Member Name Spelled Out in Full**

**By: (Officer’s Signature)**  
**Officer’s Name Spelled Out**  
**Officer’s Title**

A pre-made endorsement stamp may be used to complete the note endorsement. If the member’s procedures allow, the officer’s signature may be included in the pre-made stamp as the FHLBNY will view it as valid. Otherwise, the Officer’s signature should be original and executed in ink.

\* Note should contain chain of intervening endorsement(s) if loan was originated by any entity other than the Member.

\* Puerto Rico's original note(s) must include a deed number.

\*\* **Allonge** – If an allonge is necessary to attach in order to complete the endorsement, because there is no room left on the note to fit the endorsement to the FHLBNY, then the allonge is to include the following: In the Header – Date, Member Loan # and Borrower Name; then place the note endorsement in the center of the allonge, but leave room for a re-endorsement back from the FHLBNY. Refer to Sample Format [\[COL-146\]](#)

#### Original Recorded Mortgage Or Deed Of Trust

If the loan has been originated within the last four (4) months, FHLBNY will accept the submission file with a copy of the executed mortgage. The recorded mortgage should be forwarded to the FHLBNY or its custodian, upon receipt from the recorder’s office. After four months, lack of the recorded mortgage may render the loan ineligible or subject the Member to a higher collateral discount.

#### For loans originated in Puerto Rico:

The recorded mortgage deed or a certified copy with the presentation slip must accompany each loan file. In addition to the recorded mortgage or certified true copy with the presentation slip, sufficient documentation evidencing the correct lien position must be submitted.

For all loans with prior liens, greater than three (3) years an updated title search evidencing no prior liens is required or recorded cancellation deed(s). For all loans less than three (3) years, any of the following may be sent to evidence their cancellation: an updated title search, a copy of the recorded cancellation deed(s) or the unrecorded cancellation deed(s) with the presentation slip, copies of the HUD-1 Settlement Statement and the disbursement check(s), or wording in the title policy to evidence cancellation of prior liens.

The Member is to forward the recorded mortgage deed upon receipt from the registry office ensuring that the indebtedness, terms borrowers and property on the Mortgage match those on the Note and Title Policy or provide an updated title search evidencing correct lien position.

**MERS Recorded Mortgages:**

Mortgages recorded in MERS' name may be pledged as collateral upon the Member's execution of a MERS Electronic Transfer Agreement (MERS ETA), and the inclusion of the MERS MIN # on the [Collateral System data listing](#). Please contact the Collateral Analysis department for more information about inclusion of the MIN # data at (201) 356-1069 and for a copy of the MERS ETA at (201) 356-1019, or write [collateraldocs@fhlbny.com](mailto:collateraldocs@fhlbny.com) for both.

**Riders (if applicable)**

These should also be recorded along with the mortgage or deed or trust. Follow requirements as outlined for the original recorded mortgage.

**Prepare an Unrecorded Mortgage Assignment (Member to FHLBNY)**

An individual loan level assignment of mortgage from the Member to the FHLBNY for each loan pledged is required in the recordable format required by the recording district (county/parish/city/town). It is the responsibility of the Member to determine the appropriate recordable format for each recording district.

See example of the generic forms of assignment of mortgage on the FHLBNY's website at [www.fhlbny.com/members/forms-agreements-page/#general-collateral-forms](http://www.fhlbny.com/members/forms-agreements-page/#general-collateral-forms).

There is a stateside version which is [COL-115](#) and a Puerto Rico version which is [COL-116](#). The assignment form must be fully executed, in a recordable format. **Please note again that COL-115 is a generic stateside version and does not necessarily represent the format that is acceptable to the particular recording district (county/parish/town) where the property is located. The Member is responsible for obtaining and submitting a completed and appropriate format for each recording district.**

The FHLBNY will not prepare or execute assignments back to the Member unless the original assignments have been recorded.

**Blanket Assignments of Mortgages, covering more than one mortgage loan, are no longer accepted by the majority of recording districts, and therefore not acceptable for delivery.**

- **Intervening Assignments (if applicable)**

If a \*business entity other than the Member closed the submitted loan, the file should contain an intervening assignment, or chain of intervening assignments indicating ownership of the loan from the originator to the Member. If the originator was subject to a merger or acquisition by the Member, then a copy of articles of merger or similar documentation should accompany the submission. (The FHLBNY will only require a copy one time and not with each submission.)

\* Note: Business entity other than the Member includes Member subsidiaries or affiliates who pledge collateral for the member as a third party, or who may originate assets in the subsidiary or affiliate name, then sell or transfer the assets to the Member. A Subsidiary/Affiliate Pledge Agreement must be in place prior to FHLBNY acceptance of third party assets as collateral.

- **Assumption Agreement** (if applicable)  
If the loan has been assumed, then the original recorded assumption agreement must be included in the submission file.
- **Modification Agreement** (if applicable) **or Alternative Documentation**  
If the loan has been modified, the modification(s) agreement must be provided with all addendums and exhibits. **In New York State, the Consolidation, Extension and Modification Agreement (“CEMA”) is required.** The original recorded agreement must be included in the submission file along with all prior notes and mortgages

If the loan is modified while pledged to the FHLBNY, the FHLBNY must be notified immediately to coordinate receipt of the modification agreement and to update the Collateral System with the modified terms and product description.

If use of a modification agreement has been waived, the loan was modified, and the borrower was notified by correspondence from the lender, the correspondence must be included in lieu of the standard modification agreement. The member should be aware that such alternative documentation may result in a discounted value to the loan as eligible collateral. Additionally, an unrecorded modification agreement may result in a discounted value to the loan as eligible collateral.

- **Power Of Attorney**  
If Power of Attorney was utilized at closing, include the documentation indicating the authorized signatory for the borrower.
- **Title Policy**  
The final title policy containing all the appropriate schedules and endorsements, and original authorized signature is to be included with any loan closed over four (4) months. If the loan is a recent origination, the original marked up title binder can be provided in lieu of a title policy. For loans originated in Puerto Rico, the title policy endorsement which evidences that the mortgage deed has been filed for recording can be provided if there is no presentation slip.
- **PMI/MIC/LGC Certificate** (if applicable)  
Per industry standards for conventional loans, private mortgage insurance is typically required for all loans with original LTVs in excess of 80%. The original or renewal certificate is to be included in the submission file. The certificate should be issued by a Freddie Mac/ Fannie Mae approved company. A waiver of PMI should be indicated on the Loan Document Checklist when extended.

For loans which have been reappraised, resulting in a lower LTV and eliminating the need for PMI, please include a copy of the new appraisal in the submission file.

If seasoned FHA or VA loans are being submitted, then the original mortgage insurance certificate or the loan guaranty certificate is to be included.

For Puerto Rico originations, if the loan was granted by the Puerto Rico Housing Bank then that agency's certificate is to be included.

#### **Name Change Documentation**

If the borrower's name has changed since closing due to marriage, divorce, legal change, etc. include documentation indicating such.

## **REQUIRED FOR MEMBERS DELIVERING LOAN FILES TO THE FHLB NY'S VAULT IN JERSEY CITY, N.J.**

### **Appraisal**

If the original loan amount is greater than or equal to \$2 million, include a copy of the full appraisal document. Delivery of this document is not required when the member is delivering this file to a third party custodian engaged by the FHLB NY.

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## **B. Co-op Loan Required Documents**

### **Completed FHLB NY [Co-op Loan Document Checklist \[COL-112\]](#)**

Include the original LTV ratio.

### **Original Note**

\* Endorsed as "Pay to the order of “      (blank)      ”. The endorsement must be signed by an officer of the member institution and include the officer's name and title clearly typed beneath the officer's signature line. Attach any allonge\*\* to the note, if applicable. An illustration of an appropriately completed endorsement follows:

**Pay to the order of:**

\_\_\_\_\_

**Member Name Spelled Out in Full**

**By: (Officer's Signature)**  
**Officer's Name Spelled Out**  
**Officer's Title**

A pre-made endorsement stamp may be used to complete the note endorsement. If the member's procedures allow, the officer's signature may be included in the pre-made stamp as the FHLB NY will view it as valid. Otherwise, the Officer's signature should be original and executed in ink.

\* Note should contain chain of intervening endorsement(s) if loan was originated by any entity other than the Member.

\* Puerto Rico's original note(s) must include a deed number.

\*\* **Allonge** – If an allonge is necessary to attach in order to complete the endorsement, because there is no room left on the note to fit the endorsement to the FHLB NY, then the allonge is to include the following: In the Header – Date, Member Loan # and Borrower Name; then place the note endorsement in the center of the allonge, but leave room for a re-endorsement back from the FHLB NY. Refer to Sample Format [\[COL-146\]](#)

### **Security Agreement**

**Must be signed and have accurate number of shares, borrowers name(s), co-op corporation name, and apartment number.**

### **Stock Certificate**

**Must include the certificate number, number of shares and the co-op corporate seal.**

### **Stock Power (Borrower to Member)**

**Must have accurate certificate number and number of shares. Must also be dated, signed and witnessed.**

**Stock Power (Member to FHLBNY)**

**Must have accurate certificate number and number of shares. Must also be dated, signed and witnessed.**

**Proprietary Lease**

Must be signed and notarized. The lease term should expire after the loan term. If the borrower is not the original lessee, intervening Assignment(s) of Lease and Acceptance(s) of Assignment and Assumption of Lease must be included. It should include unit number and number of shares.

**Assignment Of Proprietary Lease (Borrower to Member)**

Must have accurate lessor, lessee, lease date, apartment number, and building address. Must also be signed, dated and notarized.

**Assignment Of Proprietary Lease (Member to FHLBNY)**

Must have accurate lessor, lessee, lease date, apartment number, and building address. Must also be signed, dated and notarized.

**UCC-1**

Must include both filed State and County copies for loans originated prior to 10/89. Filed County UCC-1s will suffice for loans originated on or after 10/89.

**Prepare Unrecorded UCC-3's (Member to FHLBNY)**

Must include assignment County UCC-3s in filing form. Extension UCC-3s must to be filed every five years from the date of last UCC-3 filing. For those Members in possession, a UCC-3, from Member to FHLBNY, in filing form (but not filed) must accompany each co-op loan file submission. It must name FHLBNY as the secured party.

\* If a borrower lives in a state other than the state where the co-op is located, the following UCCs must be filed in the office of the Secretary of State of the state of the Borrowers' residence:

- **UCC-1**  
Must be executed and filed. UCC addendum if required.
- **UCC-3 (assignment) in filing form for Secretary of State's Office**  
Must be executed and filed. UCC addendum if required.
- **UCC-3 (continuation) in filing form for Secretary of State's Office**  
Must be executed and filed. UCC addendum if required.
- **Recognition Agreement (AZTEC)**  
Must be signed by the borrower, corporation & lender and have accurate number of shares.
- **Consent (boards' approval of the security transfer-purchases only)**
- **Title Searches: for Cooperative, borrower and for seller**
- **Others** (if applicable). See list of documents on [COL-112](#)
- **Power of Attorney** - if utilized at closing, include the documentation indicating the authorized signatory for the borrower.
- **PMI Certificate** - Per industry standards for conventional loans, private mortgage insurance is typically required for all loans with original LTVs in excess of 80%. The original or renewal

certificate must be included in the submission file. The certificate should be issued by a Freddie Mac/Fannie Mae approved company. A waiver of PMI should be indicated on the Loan Document Checklist when extended.

- **Other Assignment(s) of Proprietary Lease and other Stock Power(s)** - If a \*business entity other than the Member originated the submitted loan, the file should contain an intervening assignment and Stock Power, or chain of intervening assignments and Stock Powers indicating transfer of lease rights and stocks from the originator to the Member. If the originator was subject to a merger or acquisition by the Member, then a copy of articles of merger or similar documentation should accompany the submission. (The FHLBNY will only require a copy one time and not with each submission).

\* Note: Business entity other than the Member includes Member subsidiaries or affiliates who pledge collateral for the member as a third party, or who may originate assets in the subsidiary or affiliate name, then sell or transfer the assets to the Member. A Subsidiary/Affiliate Pledge Agreement must be in place prior to FHLBNY acceptance of third party assets as collateral.

## **REQUIRED FOR MEMBERS DELIVERING LOAN FILES TO THE FHLBNY'S VAULT IN JERSEY CITY, N.J.**

### **Appraisal**

If the original loan amount is greater than or equal to \$2 million, unless the co-op is located in New York City, include a copy of the full appraisal document. If located in New York City and the original loan amount is greater than or equal to \$5 million, include a copy of the full appraisal. Delivery of this document is not required when the member is delivering this file to a third party custodian engaged by the FHLBNY.

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## **C. Manufactured Housing Loan Required Documents**

Completed FHLBNY [Manufactured Housing Loan Documentation Checklist \[COL-110\]](#)

Include the original LTV ratio.

### **Original Note**

\* Endorsed as "Pay to the order of "       (blank)      ". The endorsement must be signed by an officer of the member institution and include the officer's name and title clearly typed beneath the officer's signature line. Attach any allonge\*\* to the note, if applicable. An illustration of an appropriately completed endorsement follows:

**Pay to the order of:**

\_\_\_\_\_ **Member Name Spelled Out in Full**

**By: (Officer's Signature)**  
**Officer's Name Spelled Out**  
**Officer's Title**

A pre-made endorsement stamp may be used to complete the note endorsement. If the member's procedures allow, the officer's signature may be included in the pre-made stamp as the FHLBNY will view it as valid. Otherwise, the Officer's signature should be original and executed in ink.

\* Note should contain chain of intervening endorsement(s) if loan was originated by any entity other than the Member.

\* Puerto Rico's original note(s) must include a deed number.

\*\* **Allonge** – If an allonge is necessary to attach in order to complete the endorsement, because there is no room left on the note to fit the endorsement to the FHLBNY, then the allonge is to include the following: In the Header – Date, Member Loan # and Borrower Name; then place the note endorsement in the center of the allonge, but leave room for a re-endorsement back from the FHLBNY. Refer to Sample Format [\[COL-146\]](#)

- **Original Recorded Mortgage or Deed of Trust**

Security Instrument must identify manufactured housing unit as real property. Mortgage or Deed of Trust must cover both unit and site and meet all FHA Title II criteria. If the loan has been originated within the last four (4) months, the FHLBNY will accept the submission file with a copy of the executed mortgage.

**MERS Recorded Mortgages:**

Mortgages recorded in MERS' name may be pledged as collateral upon the Member's execution of a MERS Electronic Transfer Agreement (MERS ETA), and the inclusion of the MERS MIN # on the [Collateral System data listing](#). Please contact the Collateral Analysis department for more information about inclusion of the MIN # data at (201) 356-1069 and for a copy of the MERS ETA at (201) 356-1019, or write [collateraldocs@fhlbny.com](mailto:collateraldocs@fhlbny.com) for both.

- **Riders** (if applicable)

Riders should also be recorded along with the mortgage or deed of trust. Follow requirements as outlined for original recorded mortgages.

- **Prepare Unrecorded Mortgage Assignments (Member to FHLBNY)**

An individual loan level assignment of mortgage from the Member to the FHLBNY is required for each loan pledged. See the example of the [generic form of assignment of mortgage](#). The assignment form must be fully executed, in a recordable format.

- **Intervening Assignments** (if applicable)

If a \*business entity other than the Member closed the submitted loan, the file should contain an intervening assignment, or chain of intervening assignments indicating ownership of the loan from the originator to the Member. If the originator was subject to a merger or acquisition by the Member, then a copy of articles of merger or similar documentation should accompany the submission. (The FHLBNY will only require a copy one time and not with each submission.)

\* Note: Business entity other than the Member includes Member subsidiaries or affiliates who pledge collateral for the member as a third party, or who may originate assets in the subsidiary or affiliate name, then sell or transfer the assets to the Member. A Subsidiary/ Affiliate Pledge Agreement must be in place prior to FHLBNY acceptance of third party assets as collateral.

**Assumption Agreement (if applicable)**

If the loan has been assumed, then the original recorded agreement must be included in the submission file.

- **Modification Agreement** (if applicable)

If the loan has been modified, the modification(s) agreement must be provided with all addendums and exhibits. **In New York State, the Consolidation, Extension and Modification Agreement (“CEMA”) is required.** The original recorded agreement must be included in the submission file along with all prior notes and mortgages.



If the loan is modified while pledged to the FHLBNY, the FHLBNY must be notified immediately to coordinate receipt of the modification agreement and to update the Collateral System with the modified terms and product description.

- **Power of Attorney**

If a Power of Attorney was utilized at settlement, include the documentation indicating the authorized signatory for the borrower.

- **Title Policy**

The final title policy is required for loans closed greater than four (4) months, contain all appropriate schedules and endorsements, including the ALTA 7 endorsement, and must identify and insure the manufactured housing unit as part of the real property. If the loan is a recent origination, the original marked up title binder is to be included in the file.

- **PMI/MIC/LGC Certificate** (if applicable)

Per industry standards for conventional loans, private mortgage insurance is typically required for all loans with original LTVs in excess of 80%. The certificate should be issued by a Freddie Mac/Fannie Mae approved company. The original or renewal certificate is to be included in the submission file. A waiver of PMI should be indicated on the Loan Document Checklist when extended.

For loans which have been reappraised, resulting in a lower LTV and eliminating the need for PMI, please include a copy of the new appraisal in the submission file.

If seasoned FHA or VA loans are being submitted, then the original mortgage insurance certificate or the loan guaranty certificate is to be included.

For Puerto Rico originations, if the loan was granted by the Puerto Rico Housing Bank then that agency's certificate is to be included.

- **Name Change Documentation**

If the borrower's name has changed since closing due to marriage, divorce, legal change, etc. include documentation indicating such.

## REQUIRED FOR MEMBERS DELIVERING LOAN FILES TO THE FHLB NY'S VAULT IN JERSEY CITY, N.J.

- **Appraisal**

If the original loan amount is greater than or equal to \$2 million, include a copy of the full appraisal document. Delivery of this document is not required when the member is delivering this file to a third party custodian engaged by the FHLB NY.

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### D. Multifamily/Commercial Loan Required Documents

This sector includes the multifamily mixed-use, dormitories and health related facilities that qualify as multifamily collateral; and commercial mixed-use properties, all commercial property types that are eligible as collateral. Reference to "Multifamily/Commercial" in the following incorporates the documents related to all these property types.

#### Completed [Multifamily/Commercial Loan Document Checklist \[COL-114\]](#)

Include the original LTV ratio.

#### Original Note

\* Endorsed as "Pay to the order of "\_\_\_\_\_(blank)\_\_\_\_\_". The endorsement must be signed by an officer of the member institution and include the officer's name and title clearly typed beneath the officer's signature line. Attach any allonge\*\* to the note, if applicable. An illustration of an appropriately completed endorsement follows:

**Pay to the order of:**

\_\_\_\_\_  
**Member Name Spelled Out in Full**

**By: (Officer's Signature)**  
**Officer's Name Spelled Out**  
**Officer's Title**

A pre-made endorsement stamp may be used to complete the note endorsement. If the member's procedures allow, the officer's signature may be included in the pre-made stamp as the FHLB NY will view it as valid. Otherwise, the Officer's signature should be original and executed in ink.

\* Note should contain chain of intervening endorsement(s) if loan was originated by any entity other than the Member.

\* Puerto Rico's original note(s) must include a deed number.

\*\* **Allonge** – If an allonge is necessary to attach in order to complete the endorsement, because there is no room left on the note to fit the endorsement to the FHLB NY, then the allonge is to include the following: In the Header – Date, Member Loan # and Borrower Name; then place the note endorsement in the center of the allonge, but leave room for a re-endorsement back from the FHLB NY. Refer to Sample Format [\[COL-146\]](#)

If the borrowing entity is a corporation, partnership or joint venture, provide the corporate resolution, partnership/limited partnership certificate and/or agreement, or joint venture agreement as applicable.

**Original Recorded Mortgage Or Deed Of Trust**

If the loan has been originated within the last four (4) months, FHLBNY will accept the submission file with a copy of the executed mortgage. The recorded mortgage should be forwarded to the FHLBNY or its custodian, upon receipt from the recorder's office. After 4 months, lack of the recorded mortgage may render the loan ineligible or subject the Member to a higher collateral discount.

**For loans originated in Puerto Rico:**

The recorded mortgage deed or a certified copy with the presentation slip must accompany each loan file. In addition to the recorded mortgage or certified true copy with the presentation slip, sufficient documentation evidencing the correct lien position must be submitted. For all loans with prior liens, greater than three (3) years an updated title search evidencing no prior liens is required or recorded cancellation deed(s).

For all loans less than three (3) years, any of the following may be sent to evidence their cancellation: an updated title search, a copy of the recorded cancellation deed(s) or the unrecorded cancellation deed(s) with the presentation slip, copies of the HUD-1 Settlement Statement and the disbursement check(s), or wording in the title policy to evidence cancellation of prior liens.

The Member is to forward the recorded mortgage deed upon receipt from the registry office ensuring that the indebtedness, terms borrowers and property on the Mortgage match those on the Note and Title Policy or provide an updated title search evidencing correct lien position.

**MERS Recorded Mortgages:**

Mortgages recorded in MERS' name may be pledged as collateral upon the Member's execution of a MERS Electronic Transfer Agreement (MERS ETA), and the inclusion of the MERS MIN # on the [Collateral System data listing](#). Please contact the Collateral Risk Group for more information at about inclusion of the MIN # data at (201) 356-1069 and for a copy of the MERS ETA at (201) 356-1019, or write [collateraldocs@fhlbny.com](mailto:collateraldocs@fhlbny.com) for both.

**Original Recorded Consolidation, Modification and Extension Agreement – (“CEMA”)**

If the loan has been modified, the modification(s) agreement must be provided with all addendums and exhibits. **In New York State, the Consolidation, Extension and Modification Agreement (“CEMA”)** is required. The original recorded agreement must be included in the submission file along with all prior notes and mortgages.

If the loan is modified while pledged to the FHLBNY, the FHLBNY must be notified immediately to coordinate receipt of the modification agreement and to update the Collateral System with the modified terms.

**Prepare Unrecorded Mortgage Assignments (Member to FHLBNY)**

**All recorded documents (i.e., Mortgage, Assignment of Leases and Rents, Personal Guaranty, etc.) must be separately and individually assigned to the FHLBNY. The assignment of consolidated mortgages must include the Consolidation, Modification and Extension Agreement, the new Mortgage, if any, and all prior mortgages. The prior mortgages are usually listed in the Consolidation Agreement for easy reference.**

If the recorded assignment has not been returned by the recorder's office by time of submission, the FHLBNY will accept a copy of the executed assignment along with the recorder's receipt. The loan will remain eligible as collateral for 60 days after the submission date without the original recorded assignment.

**Multifamily/Commercial Assignment of Mortgage Collateral COL-115**

Complete an individual assignment to the FHLBNY in recordable format (do not record), fully executed and notarized. See example of the [generic form of assignment of mortgage](#). The FHLBNY will not accept blanket assignments for multifamily mortgage collateral submissions.

### **Intervening Assignments**

If a \*business entity other than the Member closed the submitted loan, the file should contain an intervening assignment, or chain of intervening assignments indicating ownership of the loan from the originator to the Member. If the originator was subject to a merger or acquisition by the Member, then a copy of articles of merger or similar documentation should accompany the submission. (The FHLBNY will only require a copy one time and not with each submission.)

*\* Note: Business entity other than the Member includes Member subsidiaries or affiliates who pledge collateral for the member as a third party, or who may originate assets in the subsidiary or affiliate name, then sell or transfer the assets to the Member. A Subsidiary/Affiliate Pledge Agreement must be in place prior to FHLBNY acceptance of third party assets as collateral.*

### **Leasehold Agreement**

If the loan is secured by a leasehold agreement, provide a copy in the submission file.

### **Assignment of Rents/Leases**

If the assignment of rents and/or leases was not incorporated into the mortgage/deed of trust, include the original recorded document in the submission file.

### **Prepare Unrecorded Assignment of Assignment of Rents/Leases ( from Member to FHLBNY)**

Assignment of Assignment of Rents and Leases (“AAR&L”) is an agreement through which lender/member transfers the right over the revenue derived from rents or leasing property in the event of default of the mortgage pledged to FHLBNY

### **For Mortgages with no modifications:**

**Assignment of Assignment of Rents and Leases (“AAR&L”) – COL-115 A AAR&L** must include the recording information from recorded Assignment of Rents and Leases (i.e., filing information). FHLBNY does not record this assignment with County Clerk Office.

### **AND**

When the mortgages includes modifications or **CEMAs, changing borrower's debt** complete another COL-115 A - AAR&L to support such a change:  
If consolidating the borrower’s debt through modification which has increased the dollar amount, or changed the loan term (i.e., interest rate, maturity date), prepare a COL-115A - AAR&L to FHLBNY. A CEMA/modification must also included the recording information (i.e., recording filing #'s, recording filing date). The FHLBNY normally does not record this assignment with the County Clerk’s Office unless absolutely necessary

### **Power of Attorney**

**If Power of Attorney was utilized at closing, include the documentation indicating the authorized signatory for the borrower. Please prepare Note endorsements with proper POA endorsement.**

### **Cross Collateralization**

If the subject submitted mortgage is cross collateralized, forward all loans involved in the cross collateralization. The FHLBNY will review the terms of the agreement and all loans involved determining eligibility as collateral.

**Participation Agreement/ Co-Lending Agreement: (Pre-Approved Members Only)**

The pledging of income producing mortgages that are participated or syndicated require prior approval, and may call for a more complete re-underwriting and analysis of the transaction and legal review of the participation or co-lending terms. In general, the Participation and Co-Lending Agreements are required to be delivered with the original documents. However, a Member checklist may need to be developed based on the structuring of the transaction and the documentation utilized. Please call Collateral Risk Management's Commercial Loan Review Department at (201) 356-1078 for further assistance.

**Title Policy**

The final title policy containing all the appropriate schedules and endorsements, and original authorized signature is to be included with any loan closed over four (4) months. If the loan is a recent origination, the original marked up title binder can be provided in lieu of a title policy. For loans originated in Puerto Rico, the title policy endorsement which evidences that the mortgage deed has been filed for recording can be provided if there is no presentation slip. Loans without evidence of title insurance will not be eligible to be pledged as collateral.

**UCC-1**

Include filing to member for any fixtures and/or chattel associated with the property.

**Prepare Unrecorded UCC-3's (Member to FHLBNY)**

Prepare a UCC-3 to the FHLBNY assigning any fixtures and chattel filings assigned to the Member.

**PLEASE NOTE FOR DELIVERIES TO THE FHLBNY VAULT OR A THIRD PARTY CUSTODIAN:****Other Requirements**

As long as a Multifamily/Commercial loan remains pledged, the FHLBNY may require the submission of rent rolls and income/expense statements on a periodic basis. Also, a copy of a recent inspection report may be required periodically.

The Member will also be required to notify the FHLBNY of a change in the status of a pledged mortgage loan, such as a change in the borrowing entity evidenced by an Assumption Agreement, or a change in any terms of the Note and Mortgage evidenced by a Modification Agreement or Extension Agreement, and in New York State the Consolidation, Extension and Modification or "CEMA" Agreement.

If the maturity date of the subject multifamily loan is within 12 months of the pledge date, include evidence of refinancing options available from Member, or a commitment to refinance, if available at the time of pledging.

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## Instruction for Mortgage Collateral Submission Loan Files to the FHLBNY

Please email [CIS@fhlbny.com](mailto:CIS@fhlbny.com) for specific instructions for delivery of loan files.

All submissions must be uploaded to the File Transfer Service and reviewed. Once reviewed and confirmed that the loans are eligible collateral from the aspect of both data eligibility (from your institution's mortgage data reporting) and document eligibility (from the collateral loan file images uploaded through the File Transfer Service). The Collateral Documentation staff will approve the loan(s) for delivery and will coordinate a pick-up of the loan files from your institution.

Documents for each mortgage loan are to be inserted into a manila folder (submission files) in the order indicated on the document checklist. All documents are to contain the loan number. Also, each submission file is to be labeled with the loan number and name of the borrower.

All submission files are to be boxed in numerical order, with the completed Description of Mortgage Collateral Forms located in the front of the box in a separate folder. Sending your Mortgage Collateral Data File Submissions to the FHLBNY

## Sending your Mortgage Collateral Data File Submissions to the FHLBNY

To pledge mortgage collateral your institution will need to provide the FHLBNY with an electronic data submission by the 10<sup>th</sup> of each month. The following will explain first how to properly format the file and then how to send securely to the FHLBNY. Should you have any difficulties with formatting or the process to enroll for a secure FTS login, please contact Collateral Analysis at the number below.

### File Formatting

All files must be in either an ASCII text file (.txt) or Microsoft Excel file (.xls) format using our standard [FHLBNY Collateral System format data layout](#).

Both formats can be found on the FHLBNY website at:

[www.fhlbny.com/members/forms-agreements-page/#general-collateral-forms](http://www.fhlbny.com/members/forms-agreements-page/#general-collateral-forms)

The FHLBNY Collateral System text file format and data definitions are located in document [\[COL-121\]](#)

The FHLBNY Collateral System Excel format template can be found in document [\[COL-122\]](#).  
*For any additional questions about file formatting, please contact Collateral Analysis at the number below.*

### Member Identification within your data file

If the data file is reporting for an existing FHLBNY member, the FHLBNY assigned Member number will need to be reported within the data file. The FHLBNY Member number is the first field identified as "FHLBNY assigned Member Number" within the [FHLBNY Collateral System format](#). Please also include your FHLBNY assigned portfolio code(s) that were provided by FHLBNY at the time the data was approved to pledge. "FHLBNY Portfolio Code" is found as the fourth field in the [FHLBNY Collateral System format](#).

### Sending your data securely to FHLBNY

All files will be transmitted through our File Transfer Service utilizing secured file transfer protocol (SFTP). Because the files are now sent under a secure method there is no longer a need to encrypt them with a password or compress them. Please **do not** encrypt, password protect or compress (i.e., ZIP) your upload files.

1. To send a file, you will need to obtain a login from FHLB NY. To do so you will need to identify whether you are a new applicant or an existing member.
2. For New Applicants: Please refer to your File Transfer Service Enrollment documents included in your welcome package or retrieve this information directly from [Collateral Forms & Agreements](#).
3. For Existing Members: If a change in your current File Transfer Service login access is required, please contact Collateral Analysis at the number below.

**Any additional collateral documentation may be uploaded using the secure File Transfer System. Please email [CIS@fhlbny.com](mailto:CIS@fhlbny.com) prior to sending.**

**For additional support, please call:**

For Mortgage Documents or the Delivery Process, Please contact any individual using email, [CIS@fhlbny.com](mailto:CIS@fhlbny.com).

**Or Call:**

- Gabby Galante, Collateral Documentation Manager at (201) 356-1019
- Jeremy Morrieson, Collateral Specialist at (201) 356-1215
- Tisa Surat, Collateral Initiatives and Support Manager at (201) 356-1058

For assistance with your monthly data file submission, please email [MediaPro@fhlbny.com](mailto:MediaPro@fhlbny.com) or call Anthony Kobel, Collateral Analysis Manager at (201) 356-1069 with any questions regarding mortgage loan data files.

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