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## APPENDIX III-3

### FORM HUD 11720 - MASTER AGREEMENT FOR SERVICER'S ESCROW CUSTODIAL ACCOUNT

- Applicability:** Ginnie Mae I MBS Program and Ginnie Mae II MBS Program.
- Purpose:** To evidence the establishment or existence of a custodial account for the deposit of sums payable under mortgages pooled for, and guaranteed by, Ginnie Mae in connection with MBS, that all deposits made therein by issuers are subject to draft or check by Ginnie Mae, and that all such amounts shall be payable to Ginnie Mae on demand and without notice.
- This agreement covers each pool or loan package that is (a) covered by a Schedule of Subscribers and Ginnie Mae Guaranty Agreement (or Schedule of Subscribers and Ginnie Mae Guaranty/Contractual Agreement), form HUD 11705 (Appendix III-6) or Schedule of Subscribers and Ginnie Mae Guaranty Agreement, form HUD 11705H (Appendix III-28), that identifies the bank account covered by this agreement as the Escrow Custodial Account that will be used for such pool or loan package or (b) included on a list attached to this agreement pursuant to Instruction 5, below.
- Prepared by:** Issuer and custodial bank.
- Prepared in:** Original. Issuer and custodial institution shall maintain copies as desired.
- Distribution:** Original forwarded by issuer to qualified bank or credit union, which will certify to the existence of the custodial account by inserting the account number and signing and returning the original to the issuer. The issuer must then forward the original to the PPA.
- Completion Instructions:** The circled numbers on the illustrated form correspond with the numbers listed below.
1. Check the appropriate box.
  2. ABA/Federal Routing Number of the financial institution that maintains the issuer's escrow custodial account(s) for the corresponding pool/loan packages.
  3. Date form is prepared by issuer.
  4. Full legal name and address of bank or credit union. If funds are held in branch, give that address.
  5. A list of pools and loan packages must be attached to this agreement whenever the array of pools and loan packages that the applicable Escrow Custodial Account is used for is to be changed other than as a result of the submission of a new pool.
  6. Full legal name of issuer.

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7. Check the appropriate box. The issuer must submit a separate form HUD 11720 for each applicable account. An issuer that must maintain an escrow custodial account for (a) buydown funds provided by the issuer or (b) construction funds received pursuant to a § 184 construction loan should check the box entitled “Other Escrow (explain)” and explain
  8. Full legal name of subcontract servicer, if other than the issuer, who will have access to this account, and subcontract servicer’s Ginnie Mae issuer ID Number.
  9. Signature of authorized officer of subcontract servicer.
  10. Title of authorized officer signing (9) above.
  11. Issuer ID number that has been assigned by Ginnie Mae.
  12. Signature of authorized officer whose name appears on Resolution of Board of Directors and Certificate of Authorized Signatures, form HUD 11702.
  13. Title of authorized officer signing (12) above.
  14. Number assigned by bank or credit union for this account.
  15. Signature of an authorized officer of the bank or credit union.
  16. Title of authorized officer signing (15) above.
  17. Date account is established.

**Note:** (For multifamily pools only): The financial institution that maintains the escrow custodial account established in accordance with this Master Agreement must meet the requirements mandated in this Guide. (See Section 16-8 of the Ginnie Mae MBS Guide and Section 5.01 of the applicable Guaranty Agreement (Appendices III-19 and III-20 of the Ginnie Mae MBS Guide)).

# Master Agreement for Servicer's Escrow Custodial Account

U.S. Department of Housing and Urban Development  
Government National Mortgage Association

OMB Approval No. 2503-0033 (Exp. 03/31/2015)

Public reporting burden for this collection of information is estimated to average less than a minute per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

The information is required by Sec. 306(g) of the National Housing Act or by Ginnie Mae Handbook 5500.3, Rev. 1 to evidence the establishment or existence of a custodial account for the deposit of sums payable under mortgages pooled for and guaranteed by Ginnie Mae. The information collected will not be disclosed outside the Department except as required by law.

<input type="checkbox"/> Initial	<input type="checkbox"/> Renewal	①	Escrow Bank ID Number (ABA/Federal Routing Number)	②	Date	③
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Name and Address of Institution (and Branch) (include full address)	④
The attached list of Pools and Loan packages is covered by this agreement	
⑤	

You are hereby authorized and requested to establish a custodial account to be specifically designated " \_\_\_\_\_ ⑥ \_\_\_\_\_

Trustee of Servicer's Escrow Custodial Account for Various Mortgagors, Ginnie Mae Mortgage-Backed Securities" for various pools or loan packages issued by the Issuer that are designated to use this account as shown on the form HUD-11705 or on the form HUD 11705H for each securities issue. All deposits made in such account shall be subject to withdrawal therefrom signed by the Issuer named below, or by the subcontract servicer named below, and shall also be subject to withdrawal therefrom by the Government National Mortgage Association. No other agent of the Issuer except the named subcontract servicer shall be authorized to withdraw funds from the account. You are also authorized to pay immediately to the Government National Mortgage Association at any time upon its written demand, which need not name a specific amount, the entire amount in such account. This demand shall be made in Ginnie Mae's sole discretion.

You are further authorized upon request of the Government National Mortgage Association to refuse to honor any instrument drawn upon such account by parties other than the Government National Mortgage Association and to change the name of the aforesaid account to "Government National Mortgage Association." In no instance shall the funds in the Escrow Custodial Account be used to offset funds which may have been advanced to, or on behalf of, the Issuer or any other entity by the custodian institution.

This agreement is submitted to you in duplicate. Please execute the duplicate copy of the certificate below, acknowledging the existence of this agreement, so that we may present the copy signed by you to the Government National Mortgage Association or its agent.

If this account is not being used for tax and insurance escrows, please check the appropriate box(es) for which funds are deposited in the account covered by this agreement: ⑦

- |  |   |   |   |
|--|---|---|---|
| <input type="checkbox"/> Section 203(k) Escrow funds | <input type="checkbox"/> Reserve for Replacement Escrow | <input type="checkbox"/> Operating Deficit Escrow | <input type="checkbox"/> Debt Service Reserve |
| <input type="checkbox"/> Latent Defects Escrow       | <input type="checkbox"/> Residual Receipts Escrow       | <input type="checkbox"/> Tenant Services Escrow   | <input type="checkbox"/> Repairs Escrow       |
| <input type="checkbox"/> MIP Escrow                  | <input type="checkbox"/> Other Escrow (explain)         |   |   |

Name of Subcontract Servicer	Subcontract Servicer Issuer ID No.	Name of Issuer	Issuer ID Number
⑧	⑧	⑥	⑪
By (Signature)		By (Signature)	
⑨	⑫		
Title		Title	
⑩	⑬		

The undersigned institution certifies to the Government National Mortgage Association that the account above identified is in existence in this institution under account number \_\_\_\_\_ ⑭ \_\_\_\_\_ and agrees with the Issuer named above and the Government National Mortgage Association to honor demands on such account in the manner provided in the above agreement. The undersigned institution further agrees upon the request of the Government National Mortgage Association to refuse to honor any instruments drawn upon such account by parties other than the Government National Mortgage Association and to change the name of the aforesaid account to "Government National Mortgage Association." This demand shall be made in Ginnie Mae's sole discretion. In no instance shall the funds in the Escrow Custodial Account be used to offset funds which may have been advanced to, or on behalf of, the Issuer or any other entity by the custodian institution. Deposits in this institution are insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration, and this institution meets the requirements specified in the Ginnie Mae Mortgage-Backed Securities Guide, Rev. 1.

Name of Institution	By
④	⑮
Title	Date
⑯	⑰