



Fannie Mae®

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# Multifamily Selling and Servicing Guide

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#### **413.04** Lender Placed Insurance

##### **413.04A** Property and Liability Insurance

If the Borrower fails to obtain acceptable insurance coverage, the Servicer must immediately obtain acceptable insurance coverage for the Property at the Borrower's expense.

##### **413.04B** Flood Insurance

If acceptable insurance coverage cannot be obtained, the Servicer must immediately contact Multifamily Insurance to determine the appropriate course of action.

##### **413.04C** Servicer's Administrative Costs and Expenses

The Servicer is permitted to collect from the Borrower any reasonable out-of-pocket costs and expenses incurred by the Servicer to obtain insurance coverage for the Property.



# Glossary

## B

**Borrower** Person who is the obligor per the Note.

### Synonyms

- Borrowers
- Borrower's

## M

**Multifamily Insurance** Team that can be contacted at [drawer\\_insurance@fanniemae.com](mailto:drawer_insurance@fanniemae.com).

## P

**Property** Multifamily residential real estate securing the Mortgage Loan, including the

- fee simple or Leasehold interest,
- Improvements, and
- personal property (per the Uniform Commercial Code).

### Synonyms

- Properties
- Property's

## S

**Servicer** Primary Person servicing the Mortgage Loan, including

- the originator,
- seller, or
- a third party.

### Synonyms

- Servicers
- Servicer's