



Fannie Mae®

Multifamily Selling and Servicing Guide

Effective as of February 2, 2026

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Section 1402 Characteristics

☒ Requirements

Topic	Split Mortgage Loans	Bifurcated Mortgage Loans
Closing	Subordinate Loan closing must occur on, or within 12 months after, the Senior Mortgage Loan closing.	Must occur on the same date.
Loan Amount	Aggregate original principal amounts of the Senior Mortgage Loan and the Subordinate Loan.	Aggregate original principal amounts of the 2 Notes. If any proceeds are based on an IRP, Part III, Chapter 7: Multifamily Affordable Housing Properties applies.
Purpose	Either Acquisition or refinancing.	Either Acquisition or refinancing.
Underwriting	The 2 Mortgage Loans must: <ul style="list-style-type: none">• not have a combined LTV higher than the maximum standard for a Senior Mortgage Loan;• not have a combined DSCR lower than the minimum standard for a Senior Mortgage Loan; and• be cross-defaulted.	Must not have a combined: <ul style="list-style-type: none">• LTV higher than the maximum standard for a Senior Mortgage Loan; and• DSCR lower than the minimum standard for a Senior Mortgage Loan.
Interest Rate Structures	Either a fixed or variable interest rate. If you use a combination of fixed and variable interest rates, you must comply with Part III, Chapter 13: Supplemental Mortgage Loans .	Either a fixed or variable interest rate. If you use a combination of fixed and variable interest rates, each Note must have its own MBS.



Topic	Split Mortgage Loans	Bifurcated Mortgage Loans
Documentation	2 separate sets of Loan Documents: 1 for the Senior Mortgage Loan and 1 for the Subordinate Loan.	1 set of Loan Documents, but evidenced by 2 separate Notes. The Notes must be pari passu.
Securitization	2 separate MBS: 1 for the Senior Mortgage Loan and 1 for the Subordinate Loan. Additional Disclosure per Form 4098 will be required if a partial release of collateral is permitted for either Mortgage Loan.	1 MBS unless multiple Interest Rate Structures. Additional Disclosure per Form 4098 must be required if a partial release of collateral is permitted for either Note.
Hazard Insurance	Coverage based on the combined UPB of the Senior Mortgage Loan and the Subordinate Loan.	Consistent with Senior Mortgage Loans.
Title Insurance	Separate title insurance policies for the Senior Mortgage Loan and Subordinate Loan, in the respective amounts of each loan.	Consistent with Senior Mortgage Loans.
UCC Financing Statements	Filings for both the Senior Mortgage Loan and Subordinate Loan.	Consistent with Senior Mortgage Loans.

Guidance

Topic	Split Mortgage Loans	Bifurcated Mortgage Loans
Maturity Date	2 Mortgage Loans may have different Maturity Dates if the Subordinate Loan is resubordinated per Part III, Chapter 13: Supplemental Mortgage Loans .	2 Notes may have different Maturity Dates and Yield Maintenance Period End Dates.



Glossary

A

Acquisition

Any Purchase of either the:

- Property's fee simple or leasehold interest via a deed transfer; or
- Controlling Interest in the Borrower.

Synonyms

- Acquisitions

Additional Disclosure

Information you provide that is published as an addendum to the disclosure documents when an MBS is issued and describes special Security, Mortgage Loan, or Property characteristics or terms that differ from those described in the standard Multifamily MBS Prospectus.

Synonyms

- Additional Disclosures
- Special Disclosure

I

IRP

Interest Reduction Payment

Synonyms

- Interest Reduction Payment

L

Loan Documents

All Fannie Mae-approved documents evidencing, securing, or guaranteeing the Mortgage Loan.

Synonyms

- Loan Document
- Mortgage Loan Document
- Mortgage Loan Documents

M



Maturity Date Date all Mortgage Loan amounts become fully due and payable per the Loan Documents.

Synonyms

- Maturity Dates

MBS Mortgage-Backed Security

Mortgage Loan Mortgage debt obligation evidenced, or when made will be evidenced, by

- the Loan Documents, or
- a mortgage debt obligation with a Fannie Mae credit enhancement.

Synonyms

- Mortgage Loans
- Mortgage Loan's

N

Note Instrument evidencing a Mortgage Loan obligation, including

- [Form 6010 series](#),
- any other Fannie Mae-approved note, and
- all applicable
 - addenda,
 - schedules, and
 - exhibits.

Synonyms

- Notes

S

Senior Mortgage Loan Senior loan purchased by Fannie Mae.

Synonyms

- Senior Mortgage Loans



Subordinate Loan

Multifamily residential real estate loan secured by a Lien against the Property having a lesser priority than the Lien securing another multifamily residential real estate loan on the same Property.

Synonyms

- Subordinate Loans

U

UCC

Uniform Commercial Code

UPB

Unpaid Principal Balance

Synonyms

- UPBs