



Fannie Mae®

---

# Multifamily Selling and Servicing Guide

Effective as of February 2, 2026

No portion of this Multifamily Selling and Servicing Guide may be reproduced in any form or by any means without Fannie Mae's prior written permission, except as may be provided herein or unless otherwise permitted by law. Limited permission to reproduce this Multifamily Selling and Servicing Guide in print, in whole or in part, and limited permission to distribute electronically parts of this Multifamily Selling and Servicing Guide, are granted to Fannie Mae-approved Lenders strictly for their own use in originating and selling multifamily Mortgage Loans to, and servicing multifamily Mortgage Loans for, Fannie Mae. Fannie Mae may revoke this limited permission by sending 60 days advance written notice to any or all Fannie Mae-approved Lenders.



**TABLE OF CONTENTS**

---

Part I Section 302.02A Tenancy-in-Common Agreement ..... 3

GLOSSARY ..... 5



## 302.02A Tenancy-in-Common Agreement

### Requirements

You must ensure that a validly executed Tenancy-in-Common Agreement is in place prior to or at the Mortgage Loan closing.

You must review the agreement to ensure that:

- each co-tenant is bound by the terms of the agreement;
- the Property has a manager of its day-to-day business and affairs, which can be
  - a single co-tenant (or the Key Principal of such co-tenant) known as the “co-tenant representative”, or
  - a validly-appointed property manager; and
- distributions to the co-tenant representative are subordinate to
  - all payments under any Mortgage Loan secured by a Lien on the Property, and
  - the terms and conditions of any such Mortgage Loan.

### Guidance

As you analyze the Tenancy-in-Common Agreement, consider the following questions. The term “co-tenant” also includes any Key Principal who has the rights of the co-tenant.

#### **Representation**

- Have the Co-Tenant Borrowers given the co-tenant representative the power to deal with the Lender through the Tenancy-in-Common Agreement or an irrevocable power-of-attorney?
- Has each Co-Tenant Borrower waived its right to reside in the Property?

#### **Buy outs**

- Does each Co-Tenant Borrower have buy out rights to any other co-tenant?
- Is each Co-Tenant Borrower financially able to buy out any other co-tenant?

#### **Communication**



- Does each Co-Tenant Borrower have a name, address, telephone number, and percentage of ownership interest listed?
- Has each Co-Tenant Borrower agreed to promptly notify all other Co-Tenant Borrowers and you if their address or telephone number changes?
- Has a single Key Principal of the co-tenant representative agreed to receive any communication from you on behalf of all Co-Tenant Borrowers?



# Glossary

## C

Co-Tenant Borrower	Borrower consisting of tenants-in-common that own the Property in equal or unequal shares.
	<b>Synonyms</b> <ul style="list-style-type: none"><li>• Co-Tenant Borrowers</li></ul>

## K

Key Principal	Person who <ul style="list-style-type: none"><li>• controls and/or manages the Borrower or the Property,</li><li>• is critical to the successful operation and management of the Borrower and the Property, and/or</li><li>• may be required to provide a Guaranty.</li></ul>
	<b>Synonyms</b> <ul style="list-style-type: none"><li>• Key Principals</li><li>• Key Principal's</li></ul>

## L

Lender	Person Fannie Mae approved to sell or service Mortgage Loans.
	<b>Synonyms</b> <ul style="list-style-type: none"><li>• Lenders</li><li>• Lender's</li></ul>

Lien	Lien, mortgage, bond interest, pledge, security interest, charge, or encumbrance of any kind.
	<b>Synonyms</b> <ul style="list-style-type: none"><li>• Liens</li></ul>

## M



## 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

## **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