



Multifamily Selling and Servicing Guide

Effective as of November 25, 2019

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TABLE OF CONTENTS

Part I Section 304 Financial Statements	3
GLOSSARY	4



Section 304 Financial Statements

Requirements

You must obtain signed financial statements from all parties relevant to the Mortgage Loan.

If these statements...	Then...
Are dated less than 12 months before the Commitment Date	You do not need a signed no adverse material change certification.
Are dated 12 24 months before the Commitment Date	You must include a signed certification dated within 30 days before loan application that states they have experienced no adverse material change to their financial condition.
Are dated more than 24 months old	You cannot use them.

For all financial statements, you must collect:

- A schedule of real estate owned by the party providing the financial statement, including the loan information (such as lender, DSCR, and maturity date) for all assets on the schedule.
- A listing of all other assets, including
 - notes receivable from related entities, and
 - an estimate of the market value of each asset and the basis for calculating value estimates.
- All liabilities and contingent liabilities, including
 - debts under lines or letters of credit,
 - personal guaranties,
 - unmet obligations to partnerships or other entities, and
 - other future obligations (describe the amount and timing of these).
- Any other factors that may impact the party's financial position immediately or during the term of the Mortgage Loan (including any known threat of potential lawsuits that may arise from the parties' business operations).



Glossary

C

Commitment Date Date a Commitment is confirmed by Fannie Mae as described in [Part IV A, Chapter 3: Committing](#).

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