Multifamily Selling and Servicing Guide

Effective as of April 8, 2022

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Section 103 Transaction Approval Memo

☑️ Requirements

Your Transaction Approval Memo must:

- document your analysis of all reasonably identifiable strengths and weaknesses of the proposed Mortgage Loan transaction; and
- address and mitigate the following:
  - Property’s financial performance, trends, and value;
  - Property’s current physical condition and expected condition over the term of the Mortgage Loan;
  - environmental conditions and seismic risk impacting the Property;
  - ability of the Property to be refinanced at the Maturity Date;
  - Borrower’s, Key Principals’, and Guarantors’ financial capacity and experience;
  - Property market’s performance and trends;
  - any other factors that could impact the transaction during the Mortgage Loan term or at the Maturity Date; and
  - analysis and support for your decisions on any matters covered by requirements or guidance in Parts I, II, and III.

➡️ Guidance

Fannie Mae will consider the quality and thoroughness of your analysis, and the appropriateness and quantity of adjustments made

- in the underwriting,
- during the monitoring process, and
- when exercising the remedies or corrective actions provided in the Lender Contract.
Glossary

B

Borrower

Person who is the obligor per the Note.

**Synonyms**

- Borrowers
- Borrower's

L

Lender Contract

Program Documents per the Multifamily Selling and Servicing Agreement.

**Synonyms**

- Lender's Contract
- Lender Contracts
- Contract
- MSSA

M

Maturity Date

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

**Synonyms**

- Maturity Dates

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
Property  

Multifamily residential property securing the Mortgage Loan and including the land (or Leasehold interest in land), Improvements, and personal property (as defined in the Uniform Commercial Code).

**Synonyms**
- Properties
- Property's