



# Multifamily Selling and Servicing Guide

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## 108.02 Property Management Agreement

### Requirements

If the Borrower is not the Property manager, you must ensure:

- that the Borrower has a written management agreement with a Property management company that allows for cancellation by the Lender without penalty or prior notice in case of a Borrower default under the Mortgage Loan; or
- the Borrower and Property manager complete the Assignment of Management Agreement ([Form 6405](#)).

### Guidance

You should ensure that the Property management agreement clearly states

- the responsibilities of the Property manager, and
- the amount of the management fee (or describes the method for determining the fee).



# Glossary

## B

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

**Synonyms**

- Borrowers
- Borrower's

## L

**Lender** Person approved by Fannie Mae to sell or service Mortgage Loans.

**Synonyms**

- Lenders
- Lender's

## 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

## P

**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