



Multifamily Selling and Servicing Guide

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805.06 Subordinate Debt

If the original Portfolio Mortgage Loan has any existing Subordinate Loans approved by Fannie Mae which will remain after the financing of the In Place Loan, the subordinate lender must reaffirm the subordination using the appropriate Subordination Agreement. The combined DSCR of the Senior Mortgage Loan and all Subordinate Loans must be disclosed for pricing during the underwriting of the In Place Loan.



Glossary

I

In Place Loan Mortgage Loan refinancing a Portfolio Mortgage Loan that does not meet Tier 2 underwriting requirements.

Synonyms

- In Place Loans

P

Portfolio Mortgage Loan Mortgage Loan that was purchased by Fannie Mae and is held as of a certain date regardless of whether it is a Cash Mortgage Loan or an MBS Mortgage Loan.

Synonyms

- Portfolio Mortgage Loans

S

Senior Mortgage Loan Senior loan purchased by Fannie Mae.

Synonyms

- Senior Mortgage Loans