



Fannie Mae®

Multifamily Selling and Servicing Guide

Effective as of May 20, 2026

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111.04 Underwritten NCF

Requirements

When calculating Underwritten NCF:

- do not include any income derived from the Solar PV System, except for tenant utility reimbursement;
- any utility reimbursement income must
 - not exceed the trailing 12-month period, and
 - consider any decrease from the lower utility expense;
- utility expense must be supported by the trailing 12-month operating history; and
- include all additional Solar PV System operating expenses such as:
 - operating and maintenance contract fees;
 - fixed utility fees;
 - incremental real estate taxes;
 - insurance coverage; and
 - Replacement Reserves for equipment replacement and/or system removal and reinstallation upon roof replacement.