



Fannie Mae®

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# Multifamily Selling and Servicing Guide

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## TABLE OF CONTENTS

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Part II Section 102 Multiple Properties .....	3
102.01 Single Borrower Ownership .....	3
102.02 Joint and Several Borrower Ownership .....	3
GLOSSARY .....	5



## Section 102 Multiple Properties

### 102.01 Single Borrower Ownership

#### Requirements

When a Mortgage Loan not in a Credit Facility is secured by multiple Properties, the multifamily units on each Property must individually:

- comply with the minimum occupancy requirements in
  - Part II, Chapter 1: Attributes and Characteristics, Section 105: Minimum Occupancy, or
  - Part III, Chapter 9: Small Mortgage Loans, Section 903: Occupancy;
- be located in the same MSA; and
- have an acceptable Property condition based on your site inspection and any PCA.

#### Guidance

When a Property consists of non-contiguous multiple parcels and operates as a single project, you should also consider whether the Property:

- if separated by a major thoroughfare primarily intended for traffic traveling through the area (rather than a street primarily intended to provide access to the Property), can be managed effectively by the Borrower;
- has amenities located on any parcel that are available to all Property tenants;
- has reciprocal agreements and easements in place; and
- is adversely affected by material differences in rent among the parcels.

### 102.02 Joint and Several Borrower Ownership

#### Requirements



If...	Then...
<p>A Mortgage Loan</p> <ul style="list-style-type: none"><li>• is made to joint and several Borrowers,</li><li>• is secured by multiple Properties, and</li><li>• has a Property owned by a different Borrower.</li></ul>	<p>The Mortgage Loan and each Borrower must comply with</p> <ul style="list-style-type: none"><li>• Part I, Chapter 3: Borrower, Guarantor, Key Principals, and Principals, Section 302.01: Single-Asset Entity,</li><li>• Part I, Chapter 3: Borrower, Guarantor, Key Principals, and Principals, Section 302.03: Joint and Several Borrowers with Multiple Properties , and</li><li>• Part II, Chapter 1: Attributes and Characteristics, Section 102.01: Single Borrower Ownership.</li></ul>



# Glossary

## B

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

**Synonyms**

- Borrowers
- Borrower's

## C

**Credit Facility** Structured Transaction that

- is governed by a Master Credit Facility Agreement, and
- includes cross-collateralized and cross-defaulted Mortgage Loans and Properties.

**Synonyms**

- Credit Facilities

## G

**Guarantor** Key Principal or other Person executing a Payment Guaranty, Non-Recourse Guaranty, or any other guaranty related to the Mortgage Loan.

**Synonyms**

- Guarantors

## 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
- Mortgage Loan's

## 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