



Fannie Mae®

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# Multifamily Selling and Servicing Guide

Effective as of December 1, 2025

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## 503.01 Reporting

### Requirements

You must submit quarterly and annual Financial Analysis of Operations reports (Form 4254 or Form 4254.Seniors) for each Property.

### Operating Procedures

You must submit all Financial Analysis of Operations reports via the MAMP. To ensure the operating statements are complete:

Item	Activity	You must...
1	Verify	Verify the operating statements reflect the Property's actual physical occupancy based on the most recent quarter-end rent roll.
2	Provide	<div>Provide actual expenses, normalizing</div> <ul style="list-style-type: none"><li>• for seasonal variations, and</li><li>• certain expenses including, but not limited to,<ul style="list-style-type: none"><li>- real estate taxes,</li><li>- property casualty insurance,</li><li>- Replacement Reserves, and</li><li>- property management fees.</li></ul></li></ul>



Item	Activity	You must...
3	Comment	<p>Comment if:</p> <ul style="list-style-type: none"> <li>• the Mortgage Loan is on Fannie Mae's Watchlist; or</li> <li>• per <a href="#">Form 4254.DEF</a> there is a 20% or greater variance, either higher or lower, from the same reporting period in the prior year for <ul style="list-style-type: none"> <li>- Effective Gross Income,</li> <li>- Total Operating Expenses,</li> <li>- Capital Expenditures, or</li> <li>- Debt Service Coverage.</li> </ul> </li> </ul> <p>Comments should:</p> <ul style="list-style-type: none"> <li>• describe: <ul style="list-style-type: none"> <li>- the situation and the variance's root cause;</li> <li>- risk changes or trends;</li> <li>- any Property management changes;</li> <li>- the Borrower/Property manager's plan to improve cash flow if the Property is <ul style="list-style-type: none"> <li>▪ on the Watchlist, or</li> <li>▪ not performing as expected per original underwriting; and</li> </ul> </li> <li>- the overall <ul style="list-style-type: none"> <li>▪ payment history,</li> <li>▪ debt service adjustments,</li> <li>▪ Property performance, or</li> <li>▪ significant financial changes; and</li> </ul> </li> </ul> </li> <li>• include: <ul style="list-style-type: none"> <li>- available market data, noting <ul style="list-style-type: none"> <li>▪ concerns or improvements, and</li> <li>▪ Property performance relative to competition;</li> </ul> </li> <li>- normalization/annualization adjustments; and</li> <li>- applicable hedge data for rate cap income and/or escrow payments.</li> </ul> </li> </ul>
4	Resolve	Timely resolve any quality control issues.



# Glossary

## B

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

### Synonyms

- Borrowers
- Borrower's

## E

**Effective Gross Income** On an annual basis or any specified period, the total of Net Rental Income plus other income per [Part II, Chapter 2: Valuation and Income, Section 203: Income Analysis](#) and the applicable products and features in Part III.

### Synonyms

- EGI

## M

**MAMP** Multifamily Asset Management Portal used to submit

- Property inspections,
- operating statements,
- requested modifications,
- asset management reports, and
- data corrections for loan or property attributes.

### Synonyms

- Multifamily Asset Management Portal
- MAMP's



## 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 real estate securing the Mortgage Loan, including the

- fee simple or Leasehold interest,
- Improvements, and
- personal property (per the Uniform Commercial Code).

### **Synonyms**

- Properties
- Property's

## **W**

## Watchlist

The risk rating classification if you or Fannie Mae determine the Mortgage Loan has heightened credit risk.