



Fannie Mae®

Multifamily Selling and Servicing Guide

Effective as of June 2, 2026

No portion of this Multifamily Selling and Servicing Guide may be reproduced in any form or by any means without Fannie Mae's prior written permission, except as may be provided herein or unless otherwise permitted by law. Limited permission to reproduce this Multifamily Selling and Servicing Guide in print, in whole or in part, and limited permission to distribute electronically parts of this Multifamily Selling and Servicing Guide, are granted to Fannie Mae-approved Lenders strictly for their own use in originating and selling multifamily Mortgage Loans to, and servicing multifamily Mortgage Loans for, Fannie Mae. Fannie Mae may revoke this limited permission by sending 60 days advance written notice to any or all Fannie Mae-approved Lenders.



TABLE OF CONTENTS

Part V Section 503.01 Reporting	3
GLOSSARY	5



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	Provide actual expenses, normalizing <ul style="list-style-type: none">• for seasonal variations, and• certain expenses including, but not limited to,<ul style="list-style-type: none">- real estate taxes,- property casualty insurance,- Replacement Reserves, and- property management fees.



Item	Activity	You must...
3	Comment	<p>Comment if:</p> <ul style="list-style-type: none"> • the Mortgage Loan is on Fannie Mae's Watchlist; or • per Form 4254.DEF 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"> - Effective Gross Income, - Total Operating Expenses, - Capital Expenditures, or - Debt Service Coverage. <p>Comments should:</p> <ul style="list-style-type: none"> • describe: <ul style="list-style-type: none"> - the situation and the variance's root cause; - risk changes or trends; - any Property management changes; - the Borrower/Property manager's plan to improve cash flow if the Property is <ul style="list-style-type: none"> ▪ on the Watchlist, or ▪ not performing as expected per original underwriting; and - the overall <ul style="list-style-type: none"> ▪ payment history, ▪ debt service adjustments, ▪ Property performance, or ▪ significant financial changes; and • include: <ul style="list-style-type: none"> - available market data, noting <ul style="list-style-type: none"> ▪ concerns or improvements, and ▪ Property performance relative to competition; - normalization/annualization adjustments; and - applicable hedge data for rate cap income and/or escrow payments.
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 For any specified period, the Property's total Net Rental Income, plus commercial income, plus other income, all calculated 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.