# Multifamily Selling and Servicing Guide 

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### 504.02 Financial Reports and Information

### 504.02A Borrower and Guarantor Notices

## Operating Procedures

You:

- Will receive an annual list of all Mortgage Loans requiring Guarantor financial records for the past fiscal year.
- Must send the Borrower and Guarantors a list of all required financial reports.
- Must provide the Borrower and Guarantors sufficient time for you to submit certified financial reports:
- for Borrowers,
- within 45 days after the end of each fiscal quarter, and
- 120 days after the end of each fiscal year; and
- for Guarantors, by June 1.
- Must use best efforts to obtain all required reports.
- Must promptly submit all Guarantor financial reports received per Part V, Chapter 5: Surveillance, Section 504.02C: Review Financial Reporting.


### 504.02B Borrower Fails to Provide Guarantor Financial Reports

## Operating Procedures

You must immediately notify Fannie Mae and the Borrower or Guarantor if:

- the Borrower fails to submit the required Guarantor financial reports and information by the date required per the Loan Documents;
- the Guarantor fails to certify each financial report is true, complete, and accurate in all material respects; or
- you believe any financial report or information is materially inaccurate or misleading.

You must provide:

- the Borrower or Guarantor 30 days to deliver/certify all required financial
reports and information; and
- Fannie Mae copies of all related correspondence with the Borrower or any Guarantor.
\(\left.$$
\begin{array}{|l|l|}\hline \text { If the Borrower or a Guarantor... } & \text { You... } \\
\hline \text { Fails to: } & \text { Must request a waiver through: } \\
\text { - timely submit all required } \\
\text { information; or } \\
\text { - respond to at least } 3 \text { written } \\
\text { notices. }\end{array}
$$ \quad \begin{array}{l}- the MAMP for financials required <br>
from the Borrower;or <br>
- Sponsor Financials for financials <br>

required from the Guarantors.\end{array}\right] .\)| May extend the 30-day period by |
| :--- |
| an additional 30 days. |

504.02C Review Financial Reporting

## Of Operating Procedures

After reviewing the Borrower or Guarantor information:
$\left.\left.\begin{array}{|l|l|}\hline \text { If you determine... } & \text { You must... } \\ \hline \begin{array}{l}\text { No additional follow up is } \\ \text { required }\end{array} & \begin{array}{l}\text { - Submit the certified material through: } \\ - \text { the MAMP for the Borrower; and } \\ - \text { Sponsor Financials for Guarantors. }\end{array} \\ \text { - Retain the information in your Servicing } \\ \text { File. }\end{array}\right] \begin{array}{l}\text { - Promptly: } \\ \text { - contact the Borrower or Guarantor to } \\ \text { request additional information; and } \\ \text { - submit a copy of all financial } \\ \text { information is required } \\ \text { reporting, explanatory schedules, and } \\ \text { other supporting information through } \\ \text { - the MAMP for the Borrower, and } \\ \text { - Sponsor Financials for Guarantors. }\end{array}\right\}$
504.02D Records
$\checkmark$ Requirements
For the Mortgage Loan term, your Servicing File must include the originals of the following Borrower and Guarantor information:

- financial records;
- certifications and certified material; and
- related information and explanatory schedules.


## Glossary

## B

Borrower

Person who is the obligor per the Note.

## Synonyms

- Borrowers
- Borrower's


## G

Guarantor

## L

Loan Documents

All Fannie Mae-approved documents evidencing, securing, or guaranteeing the Mortgage Loan.

Synonyms

- Loan Document
- Mortgage Loan Document
- Mortgage Loan Documents

Key Principal or other Person executing a

- Payment Guaranty,
- Non-Recourse Guaranty, or
- any other Mortgage Loan guaranty.


## Synonyms

- Guarantors

MAMP

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


## S

Servicing File
Your file for each Mortgage Loan serviced.
Synonyms

- Servicing Files

Sponsor
Principal equity owner and/or primary decision maker of the Borrower (often the Key Principal or the Person Controlling the Key Principal).

## Synonyms

- Sponsors
- Sponsor's

