



Fannie Mae®

Multifamily Selling and Servicing Guide

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Section 2101 Eligible Mortgage Loans

Requirements

For any Condominium Property, you must:

- evaluate the Condominium Documents for compliance with the Condominium Document Review Checklist ([Form 6498](#));
- determine if it is a:
 - Residential Condominium where the Borrower owns:
 - 100% of the units (i.e., a Wholly-Owned Condominium); or
 - less than 100% but at least 80% of the units (i.e., a Fractured Condominium); or
 - Commercial Condominium where the Borrower owns 100% of the residential units but does not own any other unit;
- ensure each Condominium Property unit:
 - is a separate tax parcel; and
 - has a separate tax bill;
- confirm:
 - the entire Property is subject to the Condominium regime;
 - all assessments and payments due per the Condominium Documents are current;
 - future assessments and payments from the Borrower are subordinate to the Mortgage Loan;
 - the Borrower is:
 - complying with all Condominium Documents; and
 - not involved in any Condominium Property disputes that may
 - result in material litigation, or
 - materially adversely impact the Property; and
- retain [Form 6498](#) in your Servicing File.



Glossary

B

Borrower Person who is the obligor per the Note.

Synonyms

- Borrowers
- Borrower's

C

Commercial Condominium Mixed-use Condominium Property combining Borrower-owned multifamily residential units with 1 or more other uses (e.g., retail, hotel, office, etc.) which may not be Borrower-owned.

Condominium Statutorily established Property ownership regime where Condominium Documents designate:

- individual units for separate ownership; and
- common areas for shared use and joint ownership by the unit owners.

Condominium Documents Governing documents:

- for the Condominium and owners' association's
 - creation,
 - operation, and
 - management; and
- including Condominium instruments for Condominium governance, such as
 - declarations,
 - plats,
 - bylaws,
 - rules and regulations,
 - articles of incorporation, or
 - any other document required by law.

Synonyms

- Condominium Document

F



Fractured
Condominium

Residential Condominium Property where the Borrower owns less than 100% of the units.

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 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

R

Residential
Condominium

Condominium Property where all units are residential.

S

Servicing File

Your file for each Mortgage Loan serviced.

Synonyms

- Servicing Files

W



Wholly-Owned
Condominium

Residential Condominium Property where the Borrower
owns 100% of the units.