



Fannie Mae®

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# Multifamily Selling and Servicing Guide

Effective as of December 1, 2025

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## Section 2101

### Description

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#### Requirements

An SDW Housing Property is a Property where:

- either
  - all rent restrictions are newly imposed by the Borrower, or
  - new rent restrictions are being added to existing rent restrictions; and
- the aggregate rent restrictions:
  - meet or exceed 20% @ 80%: at least 20% of all units have rent restrictions in place making them affordable to households earning up to the following as adjusted for family size:
    - 80% of AMI; or
    - 100% of AMI in an FHFA-designated “cost-burdened” market; or
    - 120% of AMI in an FHFA-designated “very cost-burdened” market;
  - are in place at the Property by the Mortgage Loan Origination Date; and
  - remain in place during the entire Mortgage Loan term.

An SDW Housing Property is ineligible if:

- 3 or more years of LIHTC restrictions remain; and
- the Borrower intends to enter into the Qualified Contract Process (per Internal Revenue Code Section 42) within 3 years after the Mortgage Loan Origination Date.

#### Guidance

- FHFA annually designates the “cost-burdened” and “very cost-burdened” markets.
- As designated by FHFA, the income threshold for affordability is:
  - 100% of AMI or below for “cost-burdened” markets; and
  - 120% of AMI or below for “very cost-burdened” markets.
- This market designation is available in the:



- Very Cost-Burdened and Cost-Burdened Renter Multifamily Markets; and
- “Sponsor-Dedicated Workforce (SDW) Housing” section of the [Affordable Housing Data Guidance Job Aid](#).



# Glossary

## B

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

### Synonyms

- Borrowers
- Borrower's

## F

**FHFA** Federal Housing Finance Agency.

## 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

**Mortgage Loan Origination Date** Date you fund a Mortgage Loan to the Borrower.

### Synonyms

- Mortgage Loan's Origination Date
- Origination Date

## 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

## S

## 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