



Fannie Mae®

Multifamily Selling and Servicing Guide

Effective as of February 12, 2025

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TABLE OF CONTENTS

Part V Section 413.01E Ratings	3
GLOSSARY	4



413.01E Ratings

All property and liability insurance carriers for renewal policies must comply with the following.

If rated by...	Insurance carrier must have a...
A.M. Best Company	<ul style="list-style-type: none">• General Policyholder Rating of A- or better; and• Financial Size Category of VI or better.
Demotech, Inc.	Financial Stability Rating of A or better.

This rating requirement does not apply to:

- state pools or funds; or
- NFIP policies.

Per the Loan Documents, even if the policy has not yet expired, the Servicer must require the Borrower to immediately obtain replacement coverage with a compliant carrier if the carrier is downgraded below:

- B++, if rated by A.M. Best Company; or
- A, if rated by Demotech, Inc.



Glossary

B

Borrower Person who is the obligor per the Note.

Synonyms

- Borrowers
- Borrower's

L

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

Synonyms

- Loan Document
- Mortgage Loan Document
- Mortgage Loan Documents

S

Servicer Primary Person servicing the Mortgage Loan, including

- the originator,
- seller, or
- a third party.

Synonyms

- Servicers
- Servicer's