



Multifamily Selling and Servicing Guide

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Section 101

Generally

Requirements

For a Mortgage Loan to be eligible for purchase, it must be secured by a multifamily residential property that meets all of the following:

- contains at least 5 dwelling units;
- has suitable bathroom and cooking facilities located within each unit;
- is located in 1 of the 50 states of the United States, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, or Guam;
- is located on a publicly dedicated, all-weather road, or is accessible by a satisfactory easement from this type of road;
- consists of either a single parcel or contiguous parcels that adjoin or are separated only by dedicated or private streets;
- has adequate water and sewer service, which may be delivered by a public utility or, where commercially acceptable for the market area, by a private system or utility;
- offers a suitable level of utility service (e.g., electrical, natural gas, plumbing, refuse removal, etc.) for the market area;
- either complies with all applicable statutes, rules, regulations, and housing and building codes, or is being appropriately remediated;
- does not contain any Modular Housing; and
- has access to police and emergency services.

When a Property consists of multiple parcels, these parcels must:

- be operating as a single project;
- be within the same submarket;
- not be separated by a major traffic artery; and
- make available to all tenants the amenities located on any parcel.

Guidance

You should also consider the following when a Property consists of multiple parcels:

- Rents at a parcel should not be lower because amenities are located on another parcel.
- Vacancy levels at a parcel should not be higher because of the Property's



configuration.



Glossary

M

Modular Housing

Property on which the Improvements consist of factory-built housing not built on a permanent chassis, such as modular, prefabricated, panelized, or sectional housing and is not considered manufactured housing.

Synonyms

- Cardinal

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

P

Property

Multifamily residential property securing the Mortgage Loan and including the land (or Leasehold interest in land), Improvements, and personal property (as defined in the Uniform Commercial Code).

Synonyms

- Properties
- Property's