



Fannie Mae®

Multifamily Selling and Servicing Guide

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502.02 Ineligible Properties

Requirements

Fannie Mae will not purchase any Mortgage Loan secured by a Seniors Housing Property:

- comprised of only Skilled Nursing units;
- that does not meet the Skilled Nursing NCF Test per [Part III, Chapter 5: Seniors Housing Properties, Section 504.02: Skilled Nursing NCF Test](#); or
- if the original Seniors Housing Mortgage Loan UPB exceeds 100% of the portion of the Appraised Value
 - attributed to land and all Improvements, but
 - excluding any portion attributed to goodwill, business value, intangibles, and/or furniture, fixtures, and equipment.



Glossary

A

Appraised Value

Appraiser's opinion of the Property's market value documented in the Appraisal, on an "as is" basis, unless use of an "as completed" basis is specifically permitted per the Guide.

Synonyms

- Appraised Values

I

Improvements

Buildings, structures, improvements, and alterations, including the multifamily housing dwellings, now or hereafter constructed or placed on the Property, including all fixtures (as defined in the UCC).

Synonyms

- Improvements'

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

S



Seniors Housing
Property

Multifamily residential rental property with any combination of Independent Living, Assisted Living, Alzheimer's/Dementia Care, or Skilled Nursing units.

Synonyms

- Seniors Housing
- Seniors Housing Properties

Skilled Nursing

Seniors Housing Property with units that are highly regulated and provide 24-hour resident supervision and registered nursing care services.

U

UPB

Unpaid Principal Balance

Synonyms

- UPBs