



Multifamily Selling and Servicing Guide

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Section 105 Replacement Reserve

105.01 Determining Replacement Reserve

Requirements

The minimum Replacement Reserve amount must equal the greater of

- the amount calculated per Part II, Chapter 4: Inspections and Reserves, Section 404: Replacement Reserve, or
- \$250 per unit per year.

105.02 Replacement Reserve Funding

Requirements

You must ensure full funding of the Replacement Reserve.



Glossary

R

Replacement Reserve Custodial Account established by the Lender and funded by deposits from the Borrower over the term of the Mortgage Loan to fund the replacement of capital items at the Property.

Synonyms

- Replacement Reserves