



# Multifamily Selling and Servicing Guide

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## TABLE OF CONTENTS

---

Part III Section 401 Generally .....	3
401.01 Description .....	3
401.02 High Performance Building Module .....	3
401.03 Green MBS .....	4
401.04 Committing and Delivery .....	4
GLOSSARY .....	5



## Section 401 Generally

### 401.01 Description

#### Requirements

A Green Mortgage Loan is secured by a Property that incorporates features expected to have a positive environmental outcome including, but not limited to, reducing energy and water consumption at a property, generating energy, or meeting criteria set by a third-party green building certification organization.

A Green Rewards Mortgage Loan is secured by a Property on which the Borrower agrees to undertake 1 or more Energy- and Water-Efficiency Measures (Efficiency Measures or EWEM) that comply with [Part III, Chapter 4: Green Mortgage Loans, Section 403: Green Rewards Mortgage Loans](#).

### 401.02 High Performance Building Module

#### Requirements

For Green Rewards Mortgage Loans you must:

- retain a consultant to provide either:
  - a High Performance Building (HPB) module (HPB Module), including [Appendix H: HPB Module Report Tables \(Form 4099.H\)](#), as part of a required PCA; or
  - a standalone HPB report (HPB Report), including [Form 4099.H](#); and
- complete the HPB Module or HPB Report and [Form 4099.H](#) per the requirements of [Form 4099](#).

#### Guidance

Fannie Mae will reimburse you for the cost of the HPB Module or HPB Report when you deliver a Green Mortgage Loan.

Notwithstanding the general prohibition in [Part IV A, Chapter 2: Pricing, Origination Fees, and Prepayment Premium Incentives, Section 202.01: Origination Fee](#) regarding a Lender paying third-party costs, you may use the Origination Fee to reimburse the Borrower for

- the cost of a standalone HPB Report, or



- the incremental cost of the HPB Module over the cost of the base PCA.

#### Operating Procedures

To submit the invoice for the HPB Module or HPB Report for reimbursement, use the [Green Mortgage Loan Job Aid](#).

### **401.03** Green MBS

#### Requirements

You must disclose as a Green MBS any Green Mortgage Loan that you deliver as an MBS Mortgage Loan.

### **401.04** Committing and Delivery

#### Operating Procedures

To commit and deliver a Green Mortgage Loan, you must follow the [Green Mortgage Loan Job Aid](#).



# Glossary

## B

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

**Synonyms**

- Borrowers
- Borrower's

## E

**Efficiency Measures** Energy- and water-efficiency measures that the Borrower agrees to implement, and which project a reduction in the Property's annual energy or water consumption.

**Synonyms**

- Efficiency Measure

## G

**Green Mortgage Loan** Mortgage Loan secured by a Property that incorporates features expected to have a positive environmental outcome including, but not limited to, reducing energy and water consumption at a Property, generating energy, or meeting criteria set by a third-party green building certification organization.

**Synonyms**

- Green Mortgage Loans



## Green Rewards Mortgage Loan

Mortgage Loan secured by a Property on which the Borrower agrees to undertake 1 or more Energy- and Water-Efficiency Measures (Efficiency Measures or EWEM) that comply with Part III, Chapter 4: Green Mortgage Loans, Section 403: Green Rewards Mortgage Loans.

### **Synonyms**

- Green Rewards Mortgage Loans
- Green Rewards

## **H**

### HPB

High Performance Building

## **L**

### Lender

Person approved by Fannie Mae to sell or service Mortgage Loans.

### **Synonyms**

- Lenders
- Lender's

## **M**

### MBS

Mortgage-Backed Security

### MBS Mortgage Loan

Mortgage Loan purchased by Fannie Mae in exchange for an issued MBS backed by the Mortgage Loan.

### **Synonyms**

- MBS Mortgage Loans

## **O**



## Origination Fee

Fee charged by the Lender to the Borrower for underwriting and originating the Mortgage Loan, per Part IV A, Chapter 2: Pricing, Origination Fees, and Prepayment Premium Incentives, Section 202: Required Fees and Lender Compensation.

### **Synonyms**

- Origination Fees

## **P**

## Prepayment Premium

When a Mortgage Loan prepayment is made, amount required to be paid by the Borrower in addition to the principal amount being prepaid and accrued interest per the related Loan Documents.

### **Synonyms**

- Prepayment Premiums

## 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