

# Multifamily Selling and Servicing Guide

Effective as of December 26, 2025

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## **603.04A** Rising Water

## ✓ Requirements

For an MH Community located in a flood zone with rising water (e.g., flood water that quickly dissipates and flood zone A or AE) you must ensure the Borrower notifies all Homeowners and all tenants of Borrower-owned or Affiliate-Owned Homes occupying an MH Site located in the flood zone before the Mortgage Loan Origination Date.

## For Manufactured Homes located in a rising water flood zone...

#### If you

- do not know the base flood elevation for the flood zone (e.g., flood zone A), or
- know that the living floor levels are below the base flood elevation

#### Then:

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- you must calculate the Underwritten DSCR excluding the site rent for Manufactured Homes with living floor levels within the flood zone; and
- if the resulting Underwritten DSCR decreases to more than 10 basis points below the minimum Tier 2 standard, you cannot underwritethe site rent for those Manufactured Homes.



# **Glossary**

## A

**Affiliate** 

When referring to an affiliate of a Lender, any other Person or entity that Controls, is Controlled by, or is under common Control with, the Lender. When referring to an affiliate of a Borrower or Key Principal:

- any Person that owns any direct ownership interest in Borrower or Key Principal;
- any Person that indirectly owns, with the power to vote, 20% or more of the ownership interests in Borrower or Key Principal;
- any Person Controlled by, under common Control with, or which Controls, Borrower or Key Principal;
- any entity in which Borrower or Key Principal directly or indirectly owns, with the power to vote, 20% or more of the ownership interests in such entity; or
- any other individual that is related (to the third degree of consanguinity) by blood or marriage to Borrower or Key Principal.

# **Synonyms**

- Affiliates
- · Affiliate's

# $\mathbf{B}$

Borrower

Person who is the obligor per the Note.

# **Synonyms**

- Borrowers
- Borrower's

# $\mathbf{M}$

Mortgage Loan Origination Date

Date you fund a Mortgage Loan to the Borrower.

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## **Synonyms**

- Mortgage Loan's Origination Date
- Origination Date