



Fannie Mae®

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# Multifamily Selling and Servicing Guide

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## **907.01** Lender's Site Inspection and Lease Audit

### Requirements

You must:

- comply with [Part II, Chapter 4: Lease Audits, Inspections, and Reserves, Section 401: Lease Audit](#); and
- not Deliver any Small Mortgage Loan if the Property's estimated Completion/Repair costs are greater than 10% of the UPB.



# Glossary

## L

**Lease** Written agreement between an owner and the tenant of a Property stipulating the conditions for possession and use of real estate for a specified period of time and rent.

### Synonyms

- Leases

## P

**Property** Multifamily residential real estate securing the Mortgage Loan, including the

- fee simple or Leasehold interest,
- Improvements, and
- personal property (per the Uniform Commercial Code).

### Synonyms

- Properties
- Property's

## S

**Small Mortgage Loan** Mortgage Loan with an original loan amount less than or equal to \$9 million.

### Synonyms

- Small Mortgage Loans

## U

**UPB** Unpaid Principal Balance

### Synonyms

- UPBs