



Multifamily Selling and Servicing Guide

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TABLE OF CONTENTS

Part III Section 403.01 Eligibility	3
403.01A Generally	3
403.01B HPB Module/HPB Report Scoring	3
403.01C HPB Module/HPB Report Approval	3
403.01D Non-Contiguous Parcels	4
GLOSSARY	5



403.01 Eligibility

403.01A Generally

Requirements

For a Green Rewards Mortgage Loan Property to be eligible, you must ensure that the Borrower selects Efficiency Measures from the HPB Module or HPB Report projected to result in an annual reduction for the whole Property of at least 30% in combined energy and/or water consumption of which at least 15% must be attributable to savings in energy consumption.

Energy consumption savings may represent reductions in whole-Property consumption of energy supplied by utilities or energy suppliers (including delivered energy such as fuel oil or propane) compared to the previous 12-month baseline through a combination of the installation of an onsite renewable energy system and energy efficiency measures.

For Manufactured Housing Community, a Green Rewards Mortgage Loan must project a reduction in whole-Property consumption of energy supplied by utilities or energy suppliers (including delivered energy such as fuel oil or propane) of at least 30% compared to the previous 12-month baseline through the installation of an onsite renewable energy system.

403.01B HPB Module/HPB Report Scoring

Requirements

You must score each HPB Module or HPB Report per the following 3-point system:

Score	Quality of HPB Module/HBP Report
1	Either you or Fannie Mae may approve the HPB Module or HPB Report as is.
2	The consultant must address minor issues or clarify the HPB Module or HPB Report before you or Fannie Mae approve it.
3	The consultant must make major changes or multiple revisions before you or Fannie Mae approve it.

The final HPB Module or HPB Report must be scored as a "1" before you approve the report or submit it to Fannie Mae for approval, if required.



403.01C HPB Module/HPB Report Approval

Requirements

You must submit an HPB Report or HPB Module to Fannie Mae for approval if:

- you have delivered less than 8 Mortgage Loans that included an HPB Report (or a PCA Report containing an HPB Module); or
- your HPB consultant has not been designated as “Pre-Qualified” by Fannie Mae at www.fanniemae.com/multifamily/green-initiative.

Operating Procedures

If Fannie Mae’s approval of an HPB Module or HPB Report is required, then you must:

- Submit the HPB Module or HPB Report and the completed [Form 4099.H](#) through DUS Gateway following the instructions in the [Green Mortgage Loan Job Aid](#).
- Follow this submission timing:
 - at least 10 days before the Mortgage Loan Origination Date, if using the Streamlined Rate Lock option; or
 - at least 5 days before Rate Lock, if not using the Streamlined Rate Lock option.

403.01D Non-Contiguous Parcels

Requirements

For a Mortgage Loan secured by Non-Contiguous Parcels, a separate HPB Module or HPB Report is required for each Collateral Record in C&D.



Glossary

B

Borrower Person who is the obligor under the Note.

Synonyms

- Borrowers
- Borrower's

C

Collateral Property, Personal Property, or other property securing a Mortgage Loan.

D

DUS Gateway Multifamily pre-acquisition system including deal registration, Pre-Review and/or waiver tracking, decision records, or any successor systems.

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

M

Manufactured Housing Community Residential real estate development with lots on which manufactured homes are located, together with amenities, utility services, landscaping, roads, and other infrastructure.

Synonyms

- Manufactured Housing Property
- MH Community
- MH Communities
- MHC



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 Origination Date

Date the Lender funds a Mortgage Loan to the Borrower.

Synonyms

- Mortgage Loan's Origination Date
- Origination Date

N

Non-Contiguous Parcels

Multiple parcels of land securing a Mortgage Loan that do not share common boundaries or that are separated by dedicated or private streets that are major arterials.

Synonyms

- Non-Contiguous Parcel

P

PCA Report

Property Condition Assessment Report documenting the findings of a PCA.

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

R



Rate Lock

Agreement between the Lender and the Investor containing the terms of the Lender-Arranged Sale or Multifamily Trading Desk trade of the Mortgage Loan and the MBS terms and conditions relating to the underlying MBS, if applicable, which may be documented via a recorded telephone conversation.

Synonyms

- Rate Locks