



Fannie Mae®

---

# Multifamily Selling and Servicing Guide

Effective as of December 26, 2025

No portion of this Multifamily Selling and Servicing Guide may be reproduced in any form or by any means without Fannie Mae's prior written permission, except as may be provided herein or unless otherwise permitted by law. Limited permission to reproduce this Multifamily Selling and Servicing Guide in print, in whole or in part, and limited permission to distribute electronically parts of this Multifamily Selling and Servicing Guide, are granted to Fannie Mae-approved Lenders strictly for their own use in originating and selling multifamily Mortgage Loans to, and servicing multifamily Mortgage Loans for, Fannie Mae. Fannie Mae may revoke this limited permission by sending 60 days advance written notice to any or all Fannie Mae-approved Lenders.



**TABLE OF CONTENTS**

---

Part III Section 607 Replacement Reserve ..... 3

GLOSSARY ..... 4



## Section 607 Replacement Reserve

---

### Requirements

If the Replacement Reserve determined by the Property Condition Assessment is more than \$75 per MH Site, full funding of the Replacement Reserve is required per [Part II, Chapter 4: Lease Audits, Inspections, and Reserves, Section 406: Replacement Reserve](#).



## 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 Condition Assessment** Assessment of the Property's physical condition and historical operation.

#### **Synonyms**

- PCA
- PNA
- Physical Needs Assessment
- PCAs

### R

**Replacement Reserve** Custodial Account the Borrower funds during the Mortgage Loan term for Replacements.

#### **Synonyms**

- Replacement Reserves