



Fannie Mae®

Multifamily Selling and Servicing Guide

Effective as of March 11, 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 II Section 401 Site Inspection and Lease Audit	3
GLOSSARY	5



Section 401

Site Inspection and Lease Audit

Requirements

Before the Commitment Date, you must ensure:

- your qualified employee per [Part V, Chapter 5: Surveillance, Section 502.05A: Qualifications](#):
 - performs a physical inspection of the Property; and
 - completes the MBA Standard Inspection Form; and
- a lease audit was conducted reconciling the inspection findings with the:
 - rent roll; and
 - lease terms.

You must:

- randomly select Property units for inspection; and
- not Deliver any Mortgage Loan secured by a Property that has an overall rating of 4 or 5 per the Comprehensive Assessment tab of the MBA Standard Inspection Form.

If the Property's rent roll indicates an inspected unit is occupied:

- the inspector must confirm the unit is occupied; and
- you must:
 - confirm the inspector's findings during your lease audit; and
 - complete a lease audit form or document your reconciliation of lease terms with the rent roll.

Guidance

When auditing the leases:

- include a:
 - minimum of 5 leases; and
 - maximum of the lesser of
 - 30 leases, or



— 10% of the leases;

- at least 50% of the audited leases should include a combination of
 - inspected units,
 - recent renewals, and
 - newly signed leases sufficient to verify rent trends;
- if you detect material discrepancies during the initial review, increase the number of lease reviews;
- include a tenant file review; and
- review the cash ledger or receipts journal to validate rent collections.



Glossary

C

Commitment Date Date a Commitment is confirmed by Fannie Mae per Part IV, Chapter 2: Rate Lock and Committing, Section 204: Commitments.

M

MBA Mortgage Bankers Association

Synonyms

- MBA's

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's

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