



Fannie Mae®

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# Multifamily Selling and Servicing Guide

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## 704.05 Subordinate Lender

### Requirements

| If the Lender type is...                      | Then...  |
|---|--|
| Public / Quasi-Public / Not-for-Profit Lender | A subordinate loan provided by a public, quasi-public, or not-for-profit Lender may <ul style="list-style-type: none"><li>• be Soft Financing, or</li><li>• require mandatory payments of P&amp;I, or interest-only.</li></ul>   |
| Private Lender                                | You must ensure that any subordinate financing originated by a private, for-profit Lender is Soft Financing per <a href="#">Part III, Chapter 7: Multifamily Affordable Housing Properties, Section 704.04: Soft Financing</a> . |



# Glossary

## L

Lender Person Fannie Mae approved to sell or service Mortgage Loans.

### **Synonyms**

- Lenders
- Lender's

## P

P&I Principal and interest