



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