



Fannie Mae®

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# Multifamily Selling and Servicing Guide

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## 704.08 Lien Priority and Title Insurance Policy

### Requirements

You must ensure:

- The subordinate loan, along with any Lien securing the subordinate loan, remains at all times, subordinate to the Security Instrument's Lien, including any refinancing.
- The Subordination Agreement is recorded in the land records immediately after the subordinate security instrument is recorded.
- The lender's title insurance policy reflects the recordation of the Subordination Agreement.



# Glossary

## L

**Lien** Lien, mortgage, bond interest, pledge, security interest, charge, or encumbrance of any kind.

### **Synonyms**

- Liens

## S

**Security Instrument** Instrument creating a lien or encumbrance on 1 or more Properties and securing the Loan Document obligations.

### **Synonyms**

- Security Instruments
- Security Instrument's