



Fannie Mae®

Multifamily Selling and Servicing Guide

Effective as of June 30, 2025

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TABLE OF CONTENTS

Part II Section 501.04D Directors’ and Officers’ Liability Insurance 3

GLOSSARY 4



501.04D Directors' and Officers' Liability Insurance

Requirements

You must ensure each Property owned by a Cooperative Organization has:

- directors' and officers' liability insurance; and
- coverage equal to at least \$1 million per occurrence.



Glossary

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Cooperative Organization	Corporation or legal entity where each shareholder or equity owner is granted the right to occupy a unit in a multifamily residential property under a proprietary lease or occupancy agreement.
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Property	<p>Multifamily residential real estate securing the Mortgage Loan, including the</p> <ul style="list-style-type: none">• fee simple or Leasehold interest,• Improvements, and• personal property (per the Uniform Commercial Code). <p>Synonyms</p> <ul style="list-style-type: none">• Properties• Property's
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