



Fannie Mae®

Multifamily Selling and Servicing Guide

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503.05 Seismic Risk Mitigants

➔ Guidance

For any Property where any Improvements have an SEL greater than 20% or a building stability issue, you should consider the following to mitigate seismic risk:

- perform a seismic retrofit sufficient to resolve all stability issues and reduce the SEL of all Improvements to 20% or below; and
- obtain earthquake insurance coverage per [Part II, Chapter 5: Property and Liability Insurance, Section 501.03D: Earthquake Insurance](#).

Earthquake insurance does not mitigate building collapse risk.



Glossary

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Improvements	Buildings, structures, improvements, and alterations, including the multifamily housing dwellings, now or hereafter constructed or placed on the Property, including all fixtures (as defined in the UCC).
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Property	Multifamily residential real estate securing the Mortgage Loan, including the <ul style="list-style-type: none">• fee simple or Leasehold interest,• Improvements, and• personal property (per the Uniform Commercial Code).
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Synonyms

- Properties
- Property's