



Multifamily Selling and Servicing Guide

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Section 709

LIHTC Properties – Lender Equity Interest

Requirements

Fannie Mae will only purchase a Mortgage Loan secured by an LIHTC Property in which you are an equity investor (directly or indirectly) in the Borrower if the following conditions are met:

- You and the equity syndicator are organized to ensure independent analysis and decision making occurs in the
 - underwriting and approval of the debt,
 - equity investments, and
 - servicing of the Mortgage Loan.
- You comply with the Underwriting Restrictions for Conflict Mortgage Loans per [Part I, Chapter 3: Borrower, Guarantor, Key Principals, and Principals, Section 310.02: Restrictions](#).
- Any subordinate loans secured by the Property comply with [Part III, Chapter 7: Multifamily Affordable Housing Properties, Section 704: Subordinate Financing](#).



Glossary

B

Borrower Person who is the obligor under the Note.

Synonyms

- Borrowers
- Borrower's

G

Guarantor Key Principal or other Person who executes a Payment Guaranty, a Non-Recourse Guaranty, or any other guaranty in connection with the Mortgage Loan.

Synonyms

- Guarantors

M

Mortgage Loan Mortgage debt obligation evidenced, or when made will be evidenced, by the Loan Documents or a mortgage debt obligation with a Fannie Mae credit enhancement.

Synonyms

- Mortgage Loans

P

Property Multifamily residential property securing the Mortgage Loan and including the land (or Leasehold interest in land), Improvements, and personal property (as defined in the Uniform Commercial Code).

Synonyms

- Properties
- Property's