



Multifamily Selling and Servicing Guide

Effective as of August 1, 2019

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711.04 Reserving FHA Units

Operating Procedures

Before the Commitment Date you must perform the following steps to reserve units for each Property to be financed with an FHA Risk Sharing Mortgage Loan.

Step 1: You must send the Deal Team a written request to reserve units that includes

- a cover letter, and
- the Fannie Mae/FHA Pre-Application for a Reservation of Risk Sharing Units ([Form 4670](#)).

Step 2: You must obtain Fannie Mae's written confirmation of the reservation of units and the proposed Mortgage Loan amount.

The unit reservation will be valid for 120 days (except for FHA Risk Sharing with a Forward Commitment where the unit reservation is valid for the period specified in the Forward Commitment).

Step 3: Before the Commitment Date, you must obtain Fannie Mae's written approval, including any

- variance in the number of units, or
- change in the Mortgage Loan amount referenced in the initial reservation letter.



Glossary

C

Commitment Date Date a Commitment is confirmed by Fannie Mae as described in [Part IV A, Chapter 3: Committing](#).

F

FHA Federal Housing Administration

FHA Risk Sharing MAH Mortgage Loan with mortgage insurance from FHA.

Forward Commitment Commitment to purchase a permanent Mortgage Loan for a to-be constructed or rehabilitated Property per Part XV of the DUS Guide, subject to certain conditions.

Synonyms

- Forward Commitments

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