



Fannie Mae®

Multifamily Selling and Servicing Guide

Effective as of May 8, 2025

No portion of this Multifamily Selling and Servicing Guide may be reproduced in any form or by any means without Fannie Mae's prior written permission, except as may be provided herein or unless otherwise permitted by law. Limited permission to reproduce this Multifamily Selling and Servicing Guide in print, in whole or in part, and limited permission to distribute electronically parts of this Multifamily Selling and Servicing Guide, are granted to Fannie Mae-approved Lenders strictly for their own use in originating and selling multifamily Mortgage Loans to, and servicing multifamily Mortgage Loans for, Fannie Mae. Fannie Mae may revoke this limited permission by sending 60 days advance written notice to any or all Fannie Mae-approved Lenders.



TABLE OF CONTENTS

Part III Section 803.02 Property Valuation 3

GLOSSARY 4



803.02 Property Valuation

Requirements

You must obtain an Appraisal per [Part II, Chapter 2: Valuation and Income](#) that provides a value of the Cooperative Property on a Cooperative Market Rental Basis for determining the LTV Ratio per Form 4660.

Guidance

You may obtain an Appraisal per [Part II, Chapter 2: Valuation and Income](#) that provides a value of the Cooperative Property on a Cooperative Gross Sellout Value basis.



Glossary

A

Appraisal	<p>Written statement independently and impartially prepared by a qualified Appraiser stating an opinion of the Property's market value</p> <ul style="list-style-type: none">• as of a specific date, and• supported by the presentation and analysis of relevant market information. <p>Synonyms</p> <ul style="list-style-type: none">• Appraisals• Appraisal's
-----------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

C

Cooperative Gross Sellout Value	<p>Value based upon the sum of the gross sales prices of all units (subject to discounts on rent restricted units) plus the aggregate UPB of all existing Mortgage Loans (prior to any proposed refinancing) secured by a Lien on the Cooperative Property.</p>
Cooperative Market Rental Basis	<p>Financial analysis or valuation of a Cooperative Property conducted as if it were operated as a conventional multifamily property subject to applicable rental restrictions.</p>
Cooperative Property	<p>Multifamily residential property owned by a Cooperative Organization.</p> <p>Synonyms</p> <ul style="list-style-type: none">• Co-op• Cooperative

F



Form 4660

Multifamily Underwriting Standards identifying Pre-Review Mortgage Loans and containing the underwriting requirements (e.g., debt service coverage ratio, loan to value ratio, interest only, underwriting floors, etc.) for all Mortgage Loans.

Synonyms

- Multifamily Underwriting Standards