



Fannie Mae®

Multifamily Selling and Servicing Guide

Effective as of June 30, 2025

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804.01 Cooperative Market Rental Basis NCF (Underwritten NCF)

Requirements

You must review the projected operations of the Cooperative Property on a Cooperative Market Rental Basis (as reflected in the Appraisal).

You must ensure the Cooperative Market Rental Basis NCF includes the minimum economic vacancy and Replacement Reserve expense per the applicable Underwritten NCF calculation in [Part II, Chapter 2: Valuation and Income](#) or [Part III, Chapter 9: Small Mortgage Loans](#).



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
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C

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

R

Replacement Reserve	<p>Custodial Account the Borrower funds during the Mortgage Loan term for Replacements.</p> <p>Synonyms</p> <ul style="list-style-type: none">• Replacement Reserves
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