



Fannie Mae®

Multifamily Selling and Servicing Guide

Effective as of December 1, 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	Written statement independently and impartially prepared by a qualified Appraiser stating an opinion of the Property's market value <ul style="list-style-type: none">• as of a specific date, and• supported by the presentation and analysis of relevant market information. Synonyms <ul style="list-style-type: none">• Appraisals• Appraisal's
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C

Cooperative Market Rental Basis	Financial analysis or valuation of a Cooperative Property conducted as if it were operated as a conventional multifamily property subject to applicable rental restrictions.
Cooperative Property	Multifamily residential property owned by a Cooperative Organization. Synonyms <ul style="list-style-type: none">• Co-op• Cooperative

R

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