

Multifamily Selling and Servicing Guide

Effective as of November 4, 2025

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804.02 Cooperative Market Rental Basis DSCR (Underwritten DSCR)

✓ Requirements

You must calculate Underwritten DSCR per the following table.

UNDERWRITTEN DSCR (COOPERATIVE PROPERTIES – COOPERATIVE MARKET RENTAL BASIS)			
Item	Function	Description	
1		Underwritten NCF as calculated on a Cooperative Market Rental Basis.	
2	DIVIDED BY	Annual debt service for the Mortgage Loan amount. You must base debt service on a level debt service payment, including amortization, and the greater of • the actual note rate, or • the required Underwriting Interest Rate Floor per Form 4660. If the Property has subordinate debt, the debt service must include P&I to cover the maximum principal amount of the outstanding subordinate debt.	

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Glossary

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.

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

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.

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Synonyms

- Mortgage Loans
- Mortgage Loan's

P

P&I

Principal and interest



Property

Multifamily residential real estate securing the Mortgage Loan, including the

- fee simple or Leasehold interest,
- Improvements, and
- personal property (per the Uniform Commercial Code).

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Synonyms

- Properties
- Property's