

Multifamily Selling and Servicing Guide

Effective as of August 29, 2025

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109.01B Lease Approval

Requirements

| Mate | erial Commercial Lease Type |
|---|--|
| Lease with Property Assessed Clean Energy (PACE) Financing | You must not approve any Material Commercial Lease that includes PACE financing. |
| Renewable Energy Generation Lease | You must only approve leases for renewable energy systems that comply with Part II, Chapter 1: Attributes and Characteristics, Section 110: Renewable Energy Generation Systems. |
| Other Material Commercial Leases | You must only approve other Material Commercial Leases that complywith Part II, Chapter 1: Attributes and Characteristics, Section 109: Commercial Leases. |



Glossary

L

Lease

Written agreement between an owner and the tenant of a Property stipulating the conditions for possession and use of real estate for a specified period of time and rent.

Synonyms

• Leases

M

Material Commercial Lease Lease, sublease, license, concession, grant, or other possessory interest

• for commercial purposes comprising 5% or more of the Property's annual EGI, or

• relating to:

- solar power, thermal power generation, or co-power generation, or the installation of solar panels or any other electrical power generation equipment, and any related power purchase agreement; or

- any Property dwelling units leased to
 - a Borrower Affiliate,
 - any Key Principal, or
 - any Principal.

Synonyms

Material Commercial Leases

P

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).

Synonyms

- Properties
- Property's