



Multifamily Selling and Servicing Guide

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Section 504 Compliance with Loan Agreement Requirements

504.01 General

The Servicer must ensure that the Borrower and any guarantor are in compliance with the Loan Documents. For all Mortgage Loans, the Servicer must:

- confirm that the Borrower complied with all quarterly and annual reporting requirements, which are primarily set out in Article 8 of the Multifamily Loan Agreement ([Form 6001 series](#)); and
- review all information required by the Loan Documents to be furnished by the Borrower.

To assist in compiling the financial records and other items required to be furnished by the Borrower, the Servicer may use the Annual Loan Agreement Certification ([Form 6620 series](#)).

504.02 Obtaining Required Financial and other Reporting Items

504.02A Notice to the Borrower

At the end of each fiscal year, the Servicer must send the Borrower, and all guarantors on a Mortgage Loan, a list of the financial reports required to be submitted and certified by each Borrower and guarantor. The list must be delivered in sufficient time to allow submission to the Servicer of the certified financial reports within 45 days after the end of each fiscal quarter, and 120 days after the end of each fiscal year.

504.02B Annual Reporting of Guarantor Financial Condition

Fannie Mae will provide the Servicer with an annual list of all Mortgage Loans for which the Servicer must submit the financial records and other required items for the past fiscal year by, or on behalf of, each guarantor of the Mortgage Loan. The guarantor financial information must be submitted through the MAMP, or as otherwise directed by Fannie Mae, by the June 1 deadline required for the annual Financial Analysis of Operations reports (Form 4254) for each Property. If Fannie Mae determines increased credit risk for a Mortgage Loan not on the initial list provided to the Servicer, Fannie Mae may ask for the submission of the associated guarantor financial records at any other time during the year.

504.02C Failure of Borrower to Provide Required Guarantor Financial Reporting

The Lender must use its best efforts to obtain the required financial



reports for any guarantor not included on Fannie Mae's list of Mortgage Loans for which the Servicer must submit the financial records of each guarantor of the Mortgage Loan.

For all Mortgage Loans included on Fannie Mae's list, the Servicer must contact Fannie Mae immediately upon the occurrence of any of the following events:

- the Borrower is unable to submit the required guarantor financial reports and other items by the date required in the Loan Documents;
- the Borrower or guarantor is unable to certify that each financial report is true, complete, and accurate in all material respects; or
- the Servicer believes the financial reports and other items are, inaccurate or misleading in any material way.

Upon the occurrence of any of the foregoing events, the Servicer must notify the Borrower, and the Borrower or guarantor shall have an additional 30 days after receipt of such written notice to deliver to the Servicer all required financial reports and other items, properly certified by the Borrower or guarantor. If the Servicer determines that the Borrower or guarantor is diligently attempting to deliver all required financial reports and other items, this 30 day period may be extended by the Servicer for up to an additional 30 days.

If the Borrower or a guarantor fails to (i) submit all required financial reports and other items, properly certified by the Borrower or guarantor, within the above time frame; or (ii) respond to at least 3 written requests for the delivery of the required information, the Servicer must request a waiver through the MAMP for the Borrower, or Multifamily Operating Statements for the guarantor. The Servicer must provide copies of all correspondence between the Servicer and the Borrower or any guarantor related to this matter to Fannie Mae.

504.02D Lender Review of Required Financial Reporting

The Servicer must promptly review all information submitted by the Borrower or guarantor. If the Servicer determines that no additional follow-up is required, the Servicer must submit the certified material for the Borrower and guarantors requested by Fannie Mae through the MAMP, or as otherwise directed by Fannie Mae. The Servicer must also place that material, and the financial information for any other guarantor received by the Servicer, along with any explanatory schedules, in its Servicing File.

If the Servicer determines that additional follow-up is required to explain any submitted material, or that additional or supporting information is required (e.g., for a Lender using the [Form 6620 series](#), a required item the Borrower failed to attach to the submission, or an item to which the Borrower failed to certify), the Servicer must contact the Borrower or guarantor



promptly to request additional information. Once the additional or resubmitted information is received, the Servicer must submit a copy of all financial reporting, explanatory schedules, and other supporting information furnished by the Borrower and guarantor to the MAMP for the Borrower, or to Multifamily Operating Statements for the guarantor.

504.02E Maintenance of Annual Financial Reporting Records

The Servicer must retain the original of all financial records, certifications, and related information furnished by the Borrower or guarantor (including each Annual Loan Agreement Certification, if used by the Servicer, and any explanatory schedules) in its Servicing File.



Glossary

B

Borrower Person who is the obligor under the Note.

Synonyms

- Borrowers
- Borrower's

L

Lender Person approved by Fannie Mae to sell or service Mortgage Loans.

Synonyms

- Lenders
- Lender's

Loan Documents All documents evidencing, securing, or guaranteeing the debt obligation executed for a Mortgage Loan and approved by Fannie Mae.

Synonyms

- Loan Document
- Mortgage Loan Document
- Mortgage Loan Documents

M

MAMP Multifamily Asset Management Portal used to submit Property inspections, operating statements, and requested modifications; asset management reports; and data corrections related to loan or property level attributes.

Synonyms

- Multifamily Asset Management Portal



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.

Synonyms

- Mortgage Loans

Multifamily Loan Agreement

Agreement evidencing the terms of a Mortgage Loan using the [Form 6001 series](#) Loan Documents or another form approved by Fannie Mae.

Multifamily Operating Statements

Team that can be contacted at mf_operatingstatements@fanniemae.com.

P

Property

Multifamily residential property securing the Mortgage Loan and including the land (or Leasehold interest in land), Improvements, and personal property (as defined in the Uniform Commercial Code).

Synonyms

- Properties
- Property's

S

Servicer

Primary Person responsible for servicing the Mortgage Loan (e.g., the originator, the selling Lender, or a third-party servicer).

Synonyms

- Servicers

Servicing File

File for each Mortgage Loan serviced by the Lender.

Synonyms

- Servicing Files