Fannie Mae®

# Multifamily Selling and Servicing Guide

## Effective as of October 26, 2026

No portion of this Multifamily Selling and Servicing Guide may be reproduced in any form or by any means without Fannie Mae's prior written permission, except as may be provided herein or unless otherwise permitted by law. Limited permission to reproduce this Multifamily Selling and Servicing Guide in print, in whole or in part, and limited permission to distribute electronically parts of this Multifamily Selling and Servicing Guide, are granted to Fannie Mae-approved Lenders strictly for their own use in originating and selling multifamily Mortgage Loans to, and servicing multifamily Mortgage Loans for, Fannie Mae. Fannie Mae may revoke this limited permission by sending 60 days advance written notice to any or all Fannie Mae-approved Lenders.

# TABLE OF CONTENTS

Part V Section 408.04D Modifications to Replacement Reserve Deposits ..... 3
GLOSSARY ..... 4

## 408.04D Modifications to Replacement Reserve Deposits

Based on the results of a Property inspection or a new Property Condition Assessment as required below, the Servicer may determine that the current level of Replacement Reserve funding and scheduled deposits will be insufficient to meet all projected capital item or major maintenance needs. The Servicer must then:

- adjust the Replacement Reserve Schedule or the Replacement Reserve Agreement and the Replacement Reserve funding to a sufficient level, if warranted, in accordance with the Loan Documents and Part III, by requiring the Borrower to:
  - deposit a lump sum into the Replacement Reserve; and/or
  - increase the monthly Replacement Reserve deposit; and
- give the Borrower at least 30 days advance written notice prior to implementing any of the foregoing changes.

Based on the results of the new Property Condition Assessment obtained during the underwriting and delivery of a Supplemental Mortgage Loan, the Servicer may:

- adjust the Replacement Reserve funding, scheduled deposits, and Completion/Repair Schedule of all Pre-Existing Mortgage Loans to match the Supplemental Mortgage Loan underwriting; and
- amend the Loan Documents accordingly.

# Glossary

## B

| | |
|---|---|
| Borrower | Person who is the obligor per the Note.<br><br>**Synonyms**<br>• Borrowers<br>• Borrower's |

## C

| | |
|---|---|
| Completion/Repair Schedule | The Required Repair Schedule to the Multifamily Loan Agreement (Form 6001 series) and the applicable parts of the Multifamily Loan Agreement, or other Fannie Mae-approved agreement, evidencing:<br>• the Borrowers agreement to<br>  - fund the Completion/Repair Escrow, and<br>  - perform Completion/Repairs; and<br>• Completion/Repair Escrow disbursement terms.<br><br>**Synonyms**<br>• Completion/Repair Schedules |
| Completion/Repairs | Repairs or capital item replacements and deferred maintenance:<br>• identified per the Property Condition Assessment; and<br>• required per the<br>  - Completion/Repair Schedule, or<br>  - Completion/Repair Agreement.<br><br>**Synonyms**<br>• Completion/Repair |

## D

| | |
|---|---|
| Delivery | Submission of all correct, accurate, and certifiable documents, data, and information with all applicable documents properly completed, executed, and recorded as needed, and any deficiencies resolved to Fannie Maes satisfaction.<br><br>**Synonyms**<br>• Deliver<br>• Delivered<br>• Deliveries |

# L

| | |
|---|---|
| Loan Documents | All Fannie Mae-approved documents evidencing, securing, or guaranteeing the Mortgage Loan.<br><br>**Synonyms**<br>• Loan Document<br>• Mortgage Loan Document<br>• Mortgage Loan Documents |

# M

| | |
|---|---|
| Mortgage Loan | Mortgage debt obligation evidenced, or when made will be evidenced, by<br>• the Loan Documents, or<br>• a mortgage debt obligation with a Fannie Mae credit enhancement.<br><br>**Synonyms**<br>• Mortgage Loans<br>• Mortgage Loan's |

# P

| | |
|---|---|
| Pre-Existing Mortgage Loan | Multifamily residential real estate loan secured by Liens against the Property having higher priority than the Lien securing the Subordinate Loan purchased by Fannie Mae.<br><br>**Synonyms**<br>• Pre-Existing Mortgage Loans |
| Property | Multifamily residential real estate securing the Mortgage Loan, including the<br>• fee simple or Leasehold interest,<br>• Improvements, and<br>• personal property (per the Uniform Commercial Code).<br><br>**Synonyms**<br>• Properties<br>• Property's |
| Property Condition Assessment | Assessment of the Property's physical condition and historical operation.<br><br>**Synonyms**<br>• PCA<br>• PNA<br>• Physical Needs Assessment<br>• PCAs |

# R

| | |
|---|---|
| Replacement Reserve | Custodial Account the Borrower funds during the Mortgage Loan term for Replacements.<br><br>**Synonyms**<br>• Replacement Reserves |

| | |
|---|---|
| Replacement Reserve Agreement | The 4000 series Replacement Reserve and Security Agreement (Form 4606), or other agreement approved by Fannie Mae, that evidences the:<br>• Borrowers agreement to replace identified capital items and perform required maintenance;<br>• terms for funding the identified capital item replacement and maintenance; and<br>• disbursement of Replacement Reserve funds.<br><br>**Synonyms**<br>• Replacement Reserve Agreements |
| Replacement Reserve Schedule | The Required Replacement Schedule to the Multifamily Loan Agreement (Form 6001 series) and the applicable parts of the Multifamily Loan Agreement (or other agreement approved by Fannie Mae), that evidence the:<br>• Borrowers agreement to replace identified capital items and perform required maintenance;<br>• terms for funding the identified capital item replacement and maintenance; and<br>• disbursement of Replacement Reserve funds.<br><br>**Synonyms**<br>• Replacement Reserve Schedules |
| Replacements | Capital item replacements and major maintenance needs identified by the Property Condition Assessment or otherwise required.<br><br>**Synonyms**<br>• Replacement |

# S

© 2026 Fannie Mae. Trademarks of Fannie Mae.

| | |
|---|---|
| Servicer | Primary Person servicing the Mortgage Loan, including<br>• the originator,<br>• seller, or<br>• a third party.<br><br>**Synonyms**<br>• Servicers<br>• Servicer's |
| Supplemental Mortgage Loan | Mortgage Loan purchased by Fannie Mae that is subordinated to, and has a Mortgage Loan Origination Date after, the Senior Mortgage Loan that is also owned by Fannie Mae.<br><br>**Synonyms**<br>• Supplemental Mortgage Loans |

© 2026 Fannie Mae. Trademarks of Fannie Mae.