



Fannie Mae®

Multifamily Selling and Servicing Guide

Effective as of February 12, 2025

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413.04 Lender Placed Insurance

413.04A Property and Liability Insurance

The Servicer must immediately:

- obtain the required property and liability insurance, at the Borrower's expense, if:
 - the Borrower fails to obtain acceptable insurance coverage; or
 - per the Loan Documents, even if the policy has not yet expired, the carrier is downgraded below the required ratings per [Part V, Chapter 4: Asset Management: Loan Document Administration, Section 413.01E: Ratings](#); and
- notify Fannie Mae if the Servicer obtains the required property and liability insurance.

413.04B Servicer's Administrative Costs and Expenses

The Servicer is permitted to collect from the Borrower any reasonable out-of-pocket costs and expenses incurred by the Servicer to obtain insurance coverage for the Property.



Glossary

B

Borrower Person who is the obligor per the Note.

Synonyms

- Borrowers
- Borrower's

L

Loan Documents All Fannie Mae-approved documents evidencing, securing, or guaranteeing the Mortgage Loan.

Synonyms

- Loan Document
- Mortgage Loan Document
- Mortgage Loan Documents

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

S



Servicer

Primary Person servicing the Mortgage Loan, including

- the originator,
- seller, or
- a third party.

Synonyms

- Servicers
- Servicer's