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 416 Credit Facilities and Bulk Deliveries 3
416.01 General 3
416.02 Delegation of Decisions 3
416.02A Decisions and Actions Not Delegated 3
416.02B Decisions Delegated by the Delegated Transaction Form 4636 ..... series 4
416.02C Other Delegated Decisions 4
416.03 Approval Requests 5
416.04 Credit Facility Release and Substitution Requests 5
416.05 Credit Facility Future Advance and Conversion Requests 6
416.06 Bulk Delivery Additions, Substitutions, and Releases 7
416.07 Credit Facility Revaluations 7
416.08 Capitalization Rate Derivation 8
416.09 Credit Facility Supplemental Mortgage Loans Not Permitted 8
416.10 Quarterly Monitoring and Re-Underwriting Assessments 9
416.10A Quarterly Monitoring Reports (QMR) 9
416.10B Credit Facilities with a Springing Debt Service Reserve Provision 9
416.10C Monitored Debt Service Coverage Ratio 9
416.10D Re-Underwriting Assessment Determination 9
416.10E Re-Underwriting Assessments 10
416.10F Re-Underwriting Assessment Timing 10
416.11 Springing Debt Service Reserve 11
416.12 Additional Information 12
GLOSSARY 13

© 2026 Fannie Mae. Trademarks of Fannie Mae.

Section 416 Credit Facilities and Bulk Deliveries

416.01 General

Each Credit Facility and Bulk Delivery transaction is different, therefore the requirements in this Section may not apply to every transaction. For specific requirements, the Servicer must refer to the applicable:

- Master Credit Facility Agreement;
- Bulk Delivery Agreement; and
- other Loan Documents.

416.02 Delegation of Decisions

Credit Facility and Bulk Delivery requests are delegated to the Servicer as follows.

416.02A Decisions and Actions Not Delegated

Decisions and actions that are not delegated to the Servicer for Mortgage Loans generally per Part V, Chapter 4: Asset Management: Loan Document Administration, Section 402.01: Delegation of Decision-Making Authority, are also not delegated to the Servicer for Mortgage Loans in a Credit Facility or Bulk Delivery. Additionally, decisions and actions are not delegated to the Servicer if the request involves:

- amendments or changes to the Master Credit Facility Agreement, Bulk Delivery Agreement, or equivalent agreement, except for the Fannie Mae standard form Amendment for:
  - Completion/Repair extensions; and
  - changes to the monthly Replacement Reserve deposits;
- a Bulk Delivery substitution; or
- a Credit Facility:
  - collateral release or substitution;
  - future advance and conversion;
  - revaluation and determination of the Allocable Facility Amount;
  - Interest Rate Hedge renewal or modification;

- Defeasance;
- payoff/termination;
- Ground Lease or operating lease modification;
- Transfer/Assumption;
- Property manager or operator change;
- re-underwriting assessment; or
- Springing Debt Service Reserve.

416.02B Decisions Delegated by the Delegated Transaction Form 4636 series

Decisions and actions covered by the Delegated Transaction Forms (Form 4636 series) are delegated to the Servicer per the applicable Form 4636 series. For these requests, the Servicer must submit the completed Delegated Transaction Form (Form 4636 series) through the MAMP.

416.02C Other Delegated Decisions

Decisions and actions delegated to the Servicer for Mortgage Loans generally per Part V, Chapter 4: Asset Management: Loan Document Administration, Section 402.01: Delegation of Decision-Making Authority are also delegated to the Servicer for Mortgage Loans in a Credit Facility or a Bulk Delivery. Additionally, decisions and actions not covered by the Delegated Transaction Forms (Form 4636 series) are delegated to the Servicer per this Chapter for:

- Bulk Delivery Additions, Releases, and Supplemental Mortgage Loans;
- Amendment to Multifamily Loan and Security Agreement (Restoration Reserve) (Form 6615) or Insurance Loss Proceeds Collateral Agreements (Form 6639);
- endorsing insurance checks;
- extensions to complete Completion/Repairs;
- changes to the monthly Replacement Reserve deposits; and
- administering:
  - escrow accounts; and
  - Collateral Agreements.

If the Servicer is unsure if a decision is delegated, the Servicer

must contact Multifamily Structured Asset Management before proceeding.

416.03 Approval Requests

If Fannie Mae approval is required, the Servicer must submit a request through DUS Gateway or the MAMP and include:

- the Servicers recommendation;
- any supporting documentation (including references to the relevant sections of the governing documents); and
- the Servicers analysis supporting its recommendation.

416.04 Credit Facility Release and Substitution Requests

If permitted by the Master Credit Facility Agreement and other Loan Documents, Borrowers may be allowed to release or substitute collateral. These requests must follow the provisions of the Loan Documents, and approval is not delegated to the Servicer.

The Borrower must initiate the release/substitution process by submitting a written request to the Servicer. Upon receipt, the Servicer must submit a release/substitution request package through the MAMP that includes:

- the Servicers summary of the Borrower's release/substitution request, and its recommendation regarding approval of the requested release/substitution;
- any waiver requests and the Servicer's recommendation for approval of each waiver;
- when the Borrower expects the release/substitution to close;
- whether the Property meets all conditions and compliance tests (e.g., LTV, DSCR, UPB, geographic/asset concentration) per the applicable Loan Documents;
- the release price and calculations (per the terms of the Master Credit Facility Agreement and other Loan Documents);
- the Allocable Facility Amount of each Property after the release;
- the amount of the release/substitution fees to be collected;
- whether a prepayment or advance of funds will occur;
- the Structured Facilities Monitoring Spreadsheet (Form 4802) showing the Mortgage Loan level and collateral level data for the Structured Transaction both before and after the

release/substitution occurs;

- third-party reports; and
- any other items required by the Loan Documents.

If a Letter of Credit or cash collateral is required for the request, the Servicer must enter the Letter of Credit or cash collateral information in MSFMS. Any Letter of Credit must comply with Part I, Chapter 2: Mortgage Loan, Section 204: Letters of Credit, and original Letters of Credit must be sent to Multifamily Structured Acquisitions.

If the request is approved, the Servicer must:

- submit its payoff calculations to Multifamily Structured Acquisitions;
- release the collateral from the MSFMS system; and
- if necessary, release, update, and verify any associated interest rate hedges in MSFMS.

416.05 Credit Facility Future Advance and Conversion Requests

If permitted by the Master Credit Facility Agreement and other Loan Documents, the Borrower may be allowed to:

- obtain a future advance (addition, borrow up, substitution advance, or tranche refinance); or
- convert a Mortgage Loan from variable to fixed rate.

The Borrower must initiate the process by submitting a written request to the Servicer. Upon receipt, the Servicer must submit a request package through DUS Gateway including:

- the Servicers summary of the Borrowers request and its recommendation for approval;
- any waiver requests and the Servicers recommendation for approval of each waiver;
- the amount of the transaction and the supporting underwriting spreadsheets and calculations (per the terms of the Master Credit Facility Agreement and other Loan Documents);
- when the Borrower expects the transaction to close;
- whether the Property meets all conditions and compliance tests (e.g., LTV, DSCR, UPB, geographic/asset concentration) per the applicable Loan Documents;
- a quote sheet;

- any applicable Sources and Uses statement;
- any applicable Interest Rate Hedge requirements;
- the Allocable Facility Amount of each Property after the transaction;
- itemized fees associated with the transaction;
- the Structured Facilities Monitoring Spreadsheet (Form 4802) showing the Mortgage Loan level and collateral level data for the Structured Transaction both before and after the transaction occurs;
- any applicable third-party reports; and
- any other items required by the Loan Documents.

416.06 Bulk Delivery Additions, Substitutions, and Releases

The Borrower may obtain additions, substitutions, and releases if permitted per:

- the Bulk Delivery Agreement;
- the other Loan Documents; and
- Part III, Chapter 16: Structured Transactions.

416.07 Credit Facility Revaluations

Credit Facility revaluations may occur per the Master Credit Facility Agreement.

The Lender must retain an Appraiser to obtain a Capitalization Rate Derivation per Section 106 of the Instructions for Appraisers (Form 4827) if:

- the Properties are being revalued with the intent to fund a new Mortgage Loan; or
- no new Mortgage Loan is being funded, but:
  - the previous valuation is more than 3 years old;
  - the Lender's recommended capitalization rate is more than 50 bps less than the previously approved cap rate; or
  - required by Fannie Mae.

After Fannie Mae notifies the Servicer of the final capitalization rate determination and valuation, the Servicer must:

- promptly notify the Borrower of the:
  - revised capitalization rates;
  - Property values;
  - Allocable Facility Amounts;
  - LTV; and
  - any failure to meet compliance tests, if applicable; and
- retain a copy of the Borrower notification in the Servicing File.

416.08 Capitalization Rate Derivation

For any required Capitalization Rate Derivation, the Servicer must:

- comply with Part II, Chapter 2: Valuation and Income, Section 202.02A: Appraiser Selection; and
- ensure the Capitalization Rate Derivation:
  - includes:
    - a capitalization rate derivation;
    - market analysis;
    - sales comparables; and
    - an analysis of property-specific characteristics;
  - describes capitalization rate pressures;
  - evaluates factors applying upward or downward pressure on capitalization rates, including:
    - market volatility;
    - investor demand;
    - property supply; and
    - rental growth projections;
  - is signed by the Appraiser;
  - includes the Appraiser's qualifications; and
  - is certified by the Appraiser to conform with current USPAP requirements.

416.09 Credit Facility Supplemental Mortgage Loans Not Permitted

Supplemental Mortgage Loans on Properties within a Credit Facility are not permitted unless expressly authorized under the Master Credit Facility Agreement and other Loan Documents. The Servicer must contact Multifamily Structured Asset Management before underwriting a Supplemental Mortgage Loan.

416.10 Quarterly Monitoring and Re-Underwriting Assessments

416.10A Quarterly Monitoring Reports (QMR)

All Credit Facilities must submit Quarterly Monitoring Reports through DUS 360 per Part V, Chapter 5: Surveillance, Section 503.02: Quarterly Financial Analysis of Operations.

416.10B Credit Facilities with a Springing Debt Service Reserve Provision

A Credit Facility with a Springing Debt Service Reserve provision in the Master Credit Facility Agreement:

- is subject to additional quarterly monitoring in Section 416.10C; and
- may require a re-underwriting assessment.

416.10C Monitored Debt Service Coverage Ratio

When required per Part V, Chapter 5: Surveillance, Section 503.02: Quarterly Financial Analysis of Operations, the Servicer must determine the Monitored Debt Service Coverage Ratio on an aggregate basis for all Mortgage Loans in the Collateral Pool, calculated as:

- the total for all Properties of:
  - trailing 3-month annualized net rental income; plus
  - trailing 3-month annualized other allowable income, if any; minus
  - trailing 12-month operating expenses; minus
  - annual Replacement Reserves;
- divided by the annual Actual Pay Debt Service Amounts for all Mortgage Loans.

416.10D Re-Underwriting Assessment Determination

A Credit Facility re-underwriting assessment is required if:

- the Monitored DSCR is below 1.10; or
- any other Trigger Event exists per the Master Credit Facility Agreement.

416.10E Re-Underwriting Assessments

For any Trigger Event, the Servicer must:

- immediately notify:
  - Fannie Mae in writing at:
    - Multifamily Structured Asset Management; and
    - mf_structured_transactions@fanniemae.com; and
  - the Borrower that all items required for re-underwriting per the Master Credit Facility Agreement and other Loan Documents are due within 10 days;
- facilitate a meeting between the Servicer, Fannie Mae, and Borrower;
- per the Master Credit Facility Agreement, the other Loan Documents, and the Guide:
  - conduct the re-underwriting assessment; and
  - remit the underwriting assessment results and supporting documents in the MAMP per Part V, Chapter 4: Asset Management: Loan Document Administration, Section 416.10F: Re-Underwriting Assessment Timing;
- retain copies of:
  - the re-underwriting assessment; and
  - all supporting documents in the Servicing File; and
- submit a Non-Monetary Default Borrower Request in the MAMP if the Borrower fails to provide any required documents.

416.10F Re-Underwriting Assessment Timing

Initial re-underwriting assessments occur as follows:

For a Credit Facility with...	Timing
Monitored DSCR below 1.10	45 days after Quarterly Monitoring forms are due per Part V, Chapter 5: Surveillance, Section 503.02: Quarterly Financial Analysis of Operations.
Any other Trigger Event	45 days after the event.

416.11 Springing Debt Service Reserve

If a Master Credit Facility Agreement includes a Springing Debt Service Reserve provision, the Borrower may be required to fund a Debt Service Reserve Account.

Fannie Mae will:

- review all re-underwriting assessments and supporting documents; and
- notify the Servicer of the following additional requirements.

For a Credit Facility...	Requirements
Without an existing Debt Service Reserve Account	• No further Borrower action is required if the Aggregate Debt Service Coverage Ratioand re-underwriting submission comply with the: - Master Credit Facility Agreement; and - other Loan Documents. • The Borrower must fund a Debt Service Reserve Account with an initial DSCR Shortfall Amount in the event of a Springing Trigger.
With an existing Debt Service Reserve Account	• The Borrower must fund any additional DSCR Shortfall Amount. • The Debt Service Reserve Account funds may be released if the Debt Service Reserve Release Test is met.

The Servicer must:

- notify the Borrower immediately of any Debt Service Reserve Account funding requirements;

- ensure the Borrower funds any Debt Service Reserve Account within 30 days;
- confirm all Debt Service Reserve Account deposits and notify Fannie Mae in writing at:
  - Multifamily Structured Asset Management; and
  - mf_structured_transactions@fanniemae.com;
- submit a Borrower Request in the MAMP to obtain Fannie Mae approval before releasing any Debt Service Reserve Account funds;
- notify the Borrower that re-underwriting assessment requirements supersede all activities in Part V, Chapter 5: Surveillance, Section 503: Financial Analysis of Operations; and
- submit a Monetary Default Borrower Request in the MAMP if the Borrower fails to meet any Debt Service Reserve Account funding obligations.

416.12 Additional Information

For any issue not covered in this Section, or if the Servicer requires a more detailed explanation, contact Multifamily Structured Asset Management.

Glossary

A

Acquisition	Any Purchase of either the: • Propertys fee simple or leasehold interest via a deed transfer; or • Controlling Interest in the Borrower. **Synonyms** • Acquisitions
Allocable Facility Amount	For a Credit Facility, the amount of debt allocated to a given Property, used in calculating tests for collateral activity such as releases, substitutions, and additions. **Synonyms** • Allocable Facility Amounts
Appraiser	Person engaged to estimate a Propertys market value per USPAP. **Synonyms** • Appraiser's • Appraisers

B

Borrower	Person who is the obligor per the Note. **Synonyms** • Borrowers • Borrower's



Bulk Delivery	Structured Transaction governed by a Bulk Delivery Agreement that allows future: • Mortgage Loan additions; and/or • Property substitutions. **Synonyms** • Bulk Deliveries
Bulk Delivery Agreement	Agreement evidencing the terms and conditions of a Bulk Delivery.

C

Capitalization Rate Derivation	Independent determination of the appropriate capitalization rate for a specific Property. **Synonyms** • Cap Rate Study
Collateral	Property, Personal Property, or other property securing a Mortgage Loan.
Collateral Agreement	Agreement granting a security interest in Mortgage Loan collateral not covered by the Security Instrument. **Synonyms** • Collateral Agreements

Completion/Repairs	Repairs or capital item replacements and deferred maintenance:
	• identified per the Property Condition Assessment; and
	• required per the
	  - Completion/Repair Schedule, or
	  - Completion/Repair Agreement.
	
	Synonyms
	• Completion/Repair

© 2026 Fannie Mae. Trademarks of Fannie Mae.

Credit Facility	Structured Transaction governed by a Master Credit Facility Agreement requiring Mortgage Loans and Properties to be • cross-defaulted, and • cross-collateralized. **Synonyms** • Credit Facilities • Credit Facility's

D

Debt Service Coverage Ratio	On an annual basis or any specified period, the ratio of Net Cash Flow to the total of: principal, interest, and required Mezzanine Financing or Hard Pay Preferred Equity payments. **Synonyms** • DSCR
Debt Service Reserve Account	Springing Debt Service Reserve per the Master Credit Facility Agreement that a Borrower may be required to fund in the event of a Springing Trigger. **Synonyms** • Springing Debt Service Reserves • Springing Debt Service Reserve
Debt Service Reserve Release Test	Master Credit Facility Agreement requirement for a Debt Service Reserve Account to be returned to the Borrower.
Defeasance	Transaction where a Property is released from the lien of the Security Instrument and the Lender receives a valid and perfected lien and security interest in substitute collateral acceptable to Fannie Mae and the cash flows thereunder.

Delegated Transaction Form	Multifamily Asset Management Delegated Transaction Form (Form 4636 series) used to determine whether certain asset management requests from a Borrower are delegated to the Servicer. **Synonyms** • Delegated Transaction Forms
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. **Synonyms** • Deliver • Delivered • Deliveries
DSCR Shortfall Amount	Per the Master Credit Facility Agreement, an amount the Borrower must fund into the Debt Service Reserve Account.
DUS	Delegated Underwriting and Servicing
DUS Gateway	Multifamily pre-acquisition system, or any successor systems, recording deal registration, Pre-Review and/or waiver tracking, Mortgage Loan Commitments, and decision records.

G

Ground Lease	Contract for the rental of land, usually on a long term basis.

Guide	Multifamily Selling and Servicing Guide controlling all Lender and Servicer requirements unless a Lender Contract specifies otherwise. **Synonyms** • DUS Guide

I

Interest Rate Cap	Interest rate agreement between the Borrower and a provider for which the Borrower receives payments at the end of each period when the interest rate exceeds the Cap Strike Rate. The Interest Rate Cap provides a ceiling (or cap) on the Borrower's Mortgage Loan interest payments. **Synonyms** • Interest Rate Caps • Interest Rate Hedge • Interest Rate Hedges • Interest Rate Swap • Interest Rate Cap's
Investor	MBS Investor for an MBS Mortgage Loan, or Fannie Mae for a Cash Mortgage Loan. **Synonyms** • Investors • Investor's

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

Lender	Person Fannie Mae approved to sell or service Mortgage Loans. **Synonyms** • Lenders • Lender's
Letter of Credit	Letter of Credit approved by Fannie Mae per Part I, Chapter 2: Mortgage Loan, Section 204: Letters of Credit. **Synonyms** • Letters of Credit • Letter of Credit's • LOC • LOCs
Loan Documents	All Fannie Mae-approved documents evidencing, securing, or guaranteeing the Mortgage Loan. **Synonyms** • Loan Document • Mortgage Loan Document • Mortgage Loan Documents
Loan-to-Value Ratio	Ratio of the actual aggregate UPB of the Mortgage Loan, plus any Pre-Existing Mortgage Loans, plus any Hard Pay Preferred Equity, plus any Mezzanine Financing, to the value of the Property, expressed as a percentage. **Synonyms** • LTV • LTV Ratio

M

MAMP	Multifamily Asset Management Portal used to submit • Property inspections, • operating statements, • requested modifications, • asset management reports, and • data corrections for loan or property attributes. **Synonyms** • Multifamily Asset Management Portal • MAMP's
Master Credit Facility Agreement	Agreement evidencing the terms and conditions of a Credit Facility.
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 • Mortgage Loan's
MSFMS	Multifamily Structured Facilities Management System used, for Mortgage Loans in a Bulk Delivery, to submit Mortgage Loan and Property data for: • Delivery and securitization; and • any Property substitution occurring after the Mortgage Loan Origination Date.
Multifamily Structured Acquisitions	Team that can be contacted at multifamily_spot@fanniemae.com.
Multifamily Structured Asset Management	Team that can be contacted at structured_am@fanniemae.com.

N

Net Rental Income	For any specified period, the Property's net rental income calculated per Part II, Chapter 2: Valuation and Income, Section 203: Income Analysis and the applicable products and features in Part III. **Synonyms** • NRI

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

R

Replacement Reserve	Custodial Account the Borrower funds during the Mortgage Loan term for Replacements. **Synonyms** • Replacement Reserves
Replacements	Capital item replacements and major maintenance needs identified by the Property Condition Assessment or otherwise required. **Synonyms** • Replacement

S



Security	MBS, PFP MBS, or REMIC. **Synonyms** • Securities
Servicer	Primary Person servicing the Mortgage Loan, including • the originator, • seller, or • a third party. **Synonyms** • Servicers • Servicer's
Servicing File	Your file for each Mortgage Loan serviced. **Synonyms** • Servicing Files
Springing Trigger	Per the Master Credit Facility Agreement, a defined event that permits the Lender to require the Borrower to fund the Debt Service Reserve Account.
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. **Synonyms** • Supplemental Mortgage Loans

T

Transfer/Assumption	Transaction changing the ownership of the Borrower or Property. **Synonyms** • Transfers/Assumptions

Trigger Event	Per the Master Credit Facility Agreement, a defined event that gives the right to fully re-underwrite the Credit Facility per the Underwriting and Servicing Requirements.

U

UPB	Unpaid Principal Balance **Synonyms** • UPBs
USPAP	Uniform Standards of Professional Appraisal Practice