



Fannie Mae®

Multifamily Selling and Servicing Guide

Effective as of June 30, 2025

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 416.07 Credit Facility Revaluations 3

GLOSSARY 4



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.



Glossary

A

Appraiser Person engaged to estimate a Property's market value per USPAP.

Synonyms

- Appraiser's
- Appraisers

B

Borrower Person who is the obligor per the Note.

Synonyms

- Borrowers
- Borrower's

C

Capitalization Rate Derivation Independent determination of the appropriate capitalization rate for a specific Property.

Synonyms

- Cap Rate Study

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

L



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

Synonyms

- Lenders
- Lender's

M

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

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

Servicing File Your file for each Mortgage Loan serviced.

Synonyms

- Servicing Files