



Fannie Mae®

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# Multifamily Selling and Servicing Guide

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#### **417.04A** Permitted Purpose

To allow for the construction of additional units on existing land, or the renovation and/or repositioning of existing units:

- a “Seniors Housing Major Renovation” is any physical improvement costing in excess of (i) \$20,000/unit, or (ii) \$3 million in total project costs; and
- a “Seniors Housing Minor Renovation” is any physical improvement that is not a Seniors Housing Major Renovation, but which increases the number of units, or converts one type of unit into another, unless expressly permitted by the Loan Documents.



# Glossary

## L

### Loan Documents

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

#### **Synonyms**

- Loan Document
- Mortgage Loan Document
- Mortgage Loan Documents

## S

### Seniors Housing Major Renovation

Physical improvement at a Seniors Housing Property costing more than \$20,000/unit, or \$3 million in total project costs.

#### **Synonyms**

- Seniors Housing Major Renovations

### Seniors Housing Minor Renovation

Physical improvement at a Seniors Housing Property that is not a Seniors Housing Major Renovation, but which increases the number of units, or converts one type of unit (e.g., Independent Living, Assisted Living, or Alzheimer's/Dementia Care) into another, unless expressly permitted by the Loan Documents.

#### **Synonyms**

- Seniors Housing Minor Renovations