



Fannie Mae®

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# Multifamily Selling and Servicing Guide

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## Section 1705

## Property Ownership Change

### Guidance

If at the time of the refinance of the Portfolio Mortgage Loan the Property is being sold to a new owner, then you may use the streamlined underwriting per [Part III, Chapter 17: Choice Refinance Loans, Section 1704.01: Environmental Site Assessment](#) provided that you comply with [Part I, Chapter 3: Borrower, Guarantor, Key Principals, and Principals](#) for underwriting the Borrower, Key Principals, Guarantors, and Principals.

You may also use the streamlined underwriting per [Part III, Chapter 17: Choice Refinance Loans, Section 1701: Eligibility](#) for Portfolio Mortgage Loans that were assumed before being refinanced as a Choice Refinance Loan.



# Glossary

## B

### Borrower

Person who is the obligor per the Note.

#### **Synonyms**

- Borrowers
- Borrower's

## C

### Choice Refinance Loan

Mortgage Loan refinancing a Portfolio Mortgage Loan using streamlined underwriting per [Part III, Chapter 18: Choice Refinance Loans](#).

#### **Synonyms**

- Choice Refinance Loans

## E

### Environmental Site Assessment

Investigation and resulting report (Phase I ESA or Phase II ESA) conducted per Environmental Due Diligence Requirements ([Form 4251](#)), identifying if a Property has Recognized Environmental Conditions or Business Environmental Risks.

#### **Synonyms**

- ESA
- Environmental Site Assessments

## G

### Guarantor

Key Principal or other Person executing a

- Payment Guaranty,
- Non-Recourse Guaranty, or
- any other Mortgage Loan guaranty.

#### **Synonyms**

- Guarantors

## P



**Portfolio Mortgage  
Loan**

Mortgage Loan purchased by Fannie Mae and held as of a certain date regardless of whether it is a Cash Mortgage Loan or an MBS Mortgage Loan.

**Synonyms**

- Portfolio Mortgage Loans
- Portfolio Mortgage Loan's

**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