



Multifamily Selling and Servicing Guide

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201.01 Eligible Mortgage Loans

A Mortgage Loan that is secured by a Property that meets the occupancy requirements set forth in [Part II, Chapter 1: Attributes and Characteristics, Section 104: Minimum Occupancy](#) is eligible to use the Streamlined Rate Lock option. The following Mortgage Loan types are not eligible to use the Streamlined Rate Lock option:

- Adjustable Rate Mortgage Loans (ARM Loans); and
- Structured ARM Loans.

The Streamlined Rate Lock option may be used for (i) Green Rewards Mortgage Loans, and (ii) Green Mortgage Loans secured by a Property with a Fannie Mae-recognized Green Building Certification after the Lender has:

- received a Property Condition Assessment with an HPB Module (or a separate HPB Report) which projects that the agreed-upon Energy- and Water-Efficiency Measures will achieve the reduction in annual energy or water consumption required to qualify as a Green Rewards Mortgage Loan by [Part II, Chapter 4: Inspections and Reserves, Section 403: Completion/Repairs](#); or
- reviewed and approved any required Green Building Certification prior to Rate Lock.

If the Lender has not received (i) the Property Condition Assessment with an HPB Module (or a separate HPB Report) confirming that the Property will qualify as a Green Rewards Mortgage Loan, or (ii) any required Green Building Certification, the Streamlined Rate Lock option may still be used if the Lender:

- discloses to each Investor that the Lender intends to deliver the MBS Mortgage Loan as a “Green MBS”; and
- requests the Fannie Mae Deal Team to provide the Lender with an alternative quote for the Guaranty Fee Rate and Servicing Fee Rate to be included in the Gross Note Rate if, upon the completion of full underwriting, the Property fails to qualify as a Green Mortgage Loan.



Glossary

C

Completion/Repairs Immediate Repairs identified by the Property Condition Assessment and required by the Lender to be included in the Completion/Repair Agreement (or a Certificate of Borrower, if applicable).

Synonyms

- Completion/Repair

E

Efficiency Measures Energy- and water-efficiency measures that the Borrower agrees to implement, and which project a reduction in the Property's annual energy or water consumption.

Synonyms

- Efficiency Measure

F

Fannie Mae Deal Team Team responsible for reviewing Pre-Review Mortgage Loans, waivers, etc.

Synonyms

- Deal Team

G

Green Building Certification Designation awarded by a third-party organization to multifamily properties constructed or maintained to meet specified energy and water efficiency standards or other sustainability criteria.



Green Mortgage Loan Mortgage Loan secured by a Property that incorporates features expected to have a positive environmental outcome including, but not limited to, reducing energy and water consumption at a Property, generating energy, or meeting criteria set by a third-party green building certification organization.

Synonyms

- Green Mortgage Loans

Green Rewards Mortgage Loan Mortgage Loan secured by a Property on which the Borrower agrees to undertake 1 or more Energy- and Water-Efficiency Measures (Efficiency Measures or EWEM) that comply with [Part III, Chapter 4: Green Mortgage Loans, Section 403: Green Rewards Mortgage Loans](#).

Synonyms

- Green Rewards Mortgage Loans
- Green Rewards

Gross Note Rate Interest rate stated in the Loan Documents.

Guaranty Fee Rate Rate of the Mortgage Loan Guaranty Fee expressed as an annualized percentage.

H

HPB High Performance Building

I

Investor MBS Investor for an MBS Mortgage Loan, or Fannie Mae for a Cash Mortgage Loan.

Synonyms

- Investors

L



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

Synonyms

- Lenders
- Lender's

M

MBS Mortgage-Backed Security

MBS Mortgage Loan Mortgage Loan purchased by Fannie Mae in exchange for an issued MBS backed by the Mortgage Loan.

Synonyms

- MBS Mortgage Loans

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

P

Property Multifamily residential property securing the Mortgage Loan and including the land (or Leasehold interest in land), Improvements, and personal property (as defined in the Uniform Commercial Code).

Synonyms

- Properties
- Property's



Property Condition Assessment

Assessment of the current physical condition and historical operation of the Property.

Synonyms

- PCA
- PNA
- Physical Needs Assessment
- PCAs

R

Rate Lock

Agreement between the Lender and the Investor containing the terms of the Lender-Arranged Sale or Multifamily Trading Desk trade of the Mortgage Loan and the MBS terms and conditions relating to the underlying MBS, if applicable, which may be documented via a recorded telephone conversation.

Synonyms

- Rate Locks

S

Servicing Fee Rate

Rate of the Servicing Fee for the Mortgage Loan, expressed as an annualized percentage.