

Multifamily Selling and Servicing Guide

Effective as of November 4, 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 214.01 Balloon Mortgage Loans	3
GLOSSARY	4

Effective: 11/04/2025



214.01 Balloon Mortgage Loans

Fannie Mae expects any Borrower with a Balloon Mortgage Loan to refinance or otherwise pay off the Mortgage Loan in full on (or before) the scheduled Maturity Date. Failure to pay off the Mortgage Loan in full on (or before) the scheduled Maturity Date is a default and puts the Borrower at risk that Fannie Mae will exercise any available remedy under the Security Instrument and the other Loan Documents. Whenever a Borrower fails to pay off a Balloon Mortgage Loan on its Maturity Date, the Servicer must notify its Fannie Mae Representative of such failure as soon as possible, and must report the balloon payment default on the Multifamily Delinquency System®. Any acceptance of a payoff amount occurring after the Balloon Mortgage Loan's stated Maturity Date must be approved by Fannie Mae.

Effective: 11/04/2025



Glossary

B

Balloon Mortgage Loan

Mortgage Loan with periodic installments of principal and interest that do not fully amortize the Mortgage Loan, with the balance of the Mortgage Loan due in a lump sum on a specified date, usually the Maturity Date.

Borrower

Person who is the obligor per the Note.

Synonyms

- Borrowers
- Borrower's

F

Fannie Mae Representative Fannie Mae personnel who assist you with various business matters (e.g., Fannie Mae Deal Team, pricing, delivery, servicing, asset management, etc.).

L

Loan Documents

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

Synonyms

- Loan Document
- Mortgage Loan Document
- Mortgage Loan Documents

M

Maturity Date

Date all Mortgage Loan amounts become fully due and payable per the Loan Documents.

Effective: 11/04/2025

Synonyms

Maturity Dates



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



Security Instrument

Instrument creating a lien or encumbrance on 1 or more Properties and securing the Loan Document obligations.

Synonyms

- Security Instruments
- Security Instrument's

Servicer

Primary Person servicing the Mortgage Loan, including

Effective: 11/04/2025

- the originator,
- seller, or
- a third party.

Synonyms

- Servicers
- Servicer's