



# Multifamily Selling and Servicing Guide

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## Section 801      General

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Fannie Mae may refinance certain Portfolio Mortgage Loans that do not meet Tier 2 underwriting requirements (“In Place Loans”) if:

- the Property securing the Portfolio Mortgage Loan is in good condition (or requires repairs that can reasonably be made in connection with the refinancing);
- Fannie Mae has had a satisfactory relationship with the Borrower; and
- the Portfolio Mortgage Loan may not realistically be able to be refinanced outside of Fannie Mae.

If Fannie Mae elects to purchase an In Place Loan refinanced by the Lender, special attention will be paid to preserving collateral value and mitigating credit risk by:

- improving the Property condition as necessary in an attempt to generate increased cash flow to repay the Mortgage Loan;
- maintaining the Property in good condition over the term of the In Place Loan by requiring good property management and adequately funded Replacement Reserves; and
- adding risk mitigating loan terms.



# Glossary

## B

**Borrower** Person who is the obligor under the Note.

**Synonyms**

- Borrowers
- Borrower's

## I

**In Place Loan** Mortgage Loan refinancing a Portfolio Mortgage Loan that does not meet Tier 2 underwriting requirements.

**Synonyms**

- In Place Loans

## L

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

**Synonyms**

- Lenders
- Lender's

## M

**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



## Portfolio Mortgage Loan

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

### **Synonyms**

- Portfolio Mortgage Loans

## 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