



Multifamily Selling and Servicing Guide

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802.03 Level 3 In Place Loans

Level 3 In Place Loans are Portfolio Mortgage Loans that:

- support an Underwritten DSCR greater than 5 basis points below Tier 2 standards or have a LTV greater than 5 percentage points above Tier 2 Standards;
- may require highly customized loan structures and features;
- are subject to the special pricing and fee limitations specified in [Part IV A, Chapter 2: Pricing, Origination Fees, and Prepayment Premium Incentives](#);
- are committed and delivered using the standard loan committing and delivery process in Part IV; and
- are subject to a post-purchase monitoring process and may require changes in the Lender's Restricted Liquidity Requirements.



Glossary

L

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

Synonyms

- Lenders
- Lender's

Level 3 In Place Loans Generally, Portfolio Mortgage Loans with an Underwritten DSCR greater than 5 basis points below Tier 2 standards or an LTV greater than 5% above Tier 2 Standards per Part V, Chapter 8: In Place Loans, Section 802: In Place Loan Categories.

Synonyms

- Level 3 In Place Loan

P

Prepayment Premium When a Mortgage Loan prepayment is made, amount required to be paid by the Borrower in addition to the principal amount being prepaid and accrued interest per the related Loan Documents.

Synonyms

- Prepayment Premiums