



# Multifamily Selling and Servicing Guide

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## **TABLE OF CONTENTS**

---

Part V Section 805.03 Environmental Assessment .....	3
GLOSSARY .....	4



### **805.03 Environmental Assessment**

If no Phase I Environmental Site Assessment was performed for the original Portfolio Mortgage Loan, then a Phase I Environmental Site Assessment is required for the In Place Loan. If a Phase I Environmental Site Assessment (or, if applicable, a Phase II Environmental Site Assessment) was performed for the Portfolio Mortgage Loan, then it need only be updated by the Environmental Professional re-inspecting the Property to determine if:

- an O&M Plan, if any, has been followed or is now required;
- any other Recognized Environmental Conditions or Business Environmental Risks identified in the original Phase I Environmental Site Assessment, but not the subject of an O&M Plan, have become worse and whether an O&M Plan should be implemented;
- any new Recognized Environmental Condition or Business Environmental Risk is apparent; and
- any nearby land uses subject the Property to any Recognized Environmental Condition or Business Environmental Risk.



# Glossary

## B

Business  
Environmental Risk

Risk of material environmental or environmentally-driven impact on the business or property associated with a Property or the past, current or planned use of a Property, including all “non-scope considerations” under current ASTM E 1527, asbestos or asbestos-containing materials, radon, lead-based paint, lead in drinking water, wetlands, regulatory compliance, health and safety, indoor air quality, biological agents, mold, etc.

### Synonyms

- Business Environmental Risks

## E

Environmental Site  
Assessment

Report (either a Phase I ESA or a Phase II ESA) identifying whether a Property is subject to Recognized Environmental Conditions or Business Environmental Risks.

### Synonyms

- ESA

## I

In Place Loan

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

### Synonyms

- In Place 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