



Fannie Mae®

Multifamily Selling and Servicing Guide

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TABLE OF CONTENTS

| | |
|---|---|
| Part III Section 1402.03D New Loan Test | 3 |
| GLOSSARY | 4 |



1402.03D New Loan Test

Requirements

For a Tier 2 Supplemental Mortgage Loan, if the Senior Mortgage Loan Maturity Date is 5 years or less after the Supplemental Mortgage Loan Origination Date, you must perform a New Loan Test to confirm the combined UPB of all Pre-Existing Mortgage Loans plus the Supplemental Mortgage Loan does not exceed the maximum loan amount for a new fixed rate, first Lien, cash-out Mortgage Loan.

| Term | New Loan Test Requirement |
|-----------------------|--|
| Underwriting Tier | Tier 2 |
| Minimum DSCR | Per Form 4660 |
| Maximum LTV | Per Form 4660 |
| Maturity | 10 years |
| Market Classification | Based on Property's Location |
| Interest Rate | Higher of: <ul style="list-style-type: none">• an interest rate using the highest Total Credit Fees Range in the current "Indicative Pricing" table in DUS Gateway minus any applicable "Optional Reduction"; or• the Underwriting Interest Rate Floor per Form 4660 , if applicable. |



Glossary

D

DUS Gateway Multifamily pre-acquisition system, or any successor systems, recording deal registration, Pre-Review and/or waiver tracking, Mortgage Loan Commitments, and decision records.

F

Form 4660 Multifamily Underwriting Standards identifying Pre-Review Mortgage Loans and containing the underwriting requirements (e.g., debt service coverage ratio, loan to value ratio, interest only, underwriting floors, etc.) for all Mortgage Loans.

Synonyms

- Multifamily Underwriting Standards

L

Lien Lien, mortgage, bond interest, pledge, security interest, charge, or encumbrance of any kind.

Synonyms

- Liens

M

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

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

Mortgage Loan Origination Date

Date you fund a Mortgage Loan to the Borrower.

Synonyms

- Mortgage Loan's Origination Date
- Origination Date

P

Property

Multifamily residential real estate securing the Mortgage Loan, including the

- fee simple or Leasehold interest,
- Improvements, and
- personal property (per the Uniform Commercial Code).

Synonyms

- Properties
- Property's

S

Senior Mortgage Loan

Senior loan purchased by Fannie Mae.

Synonyms

- Senior Mortgage Loans



Supplemental Mortgage Loan

Mortgage Loan purchased by Fannie Mae that is subordinated to, and has a Mortgage Loan Origination Date after, the Senior Mortgage Loan that is also owned by Fannie Mae.

Synonyms

- Supplemental Mortgage Loans

U

UPB

Unpaid Principal Balance

Synonyms

- UPBs