

The Borrower must obtain Lender consent before (i) converting the Property to a condominium or a Cooperative Property (a “Conversion” or “Condominium Conversion”), or (ii) terminating an existing condominium regime (a “Termination”), and a Conversion may be approved only if permitted by the Loan Documents and either Fannie Mae or the Servicer, as delegated by this Form. (Note: Although this Form refers to Condominium Conversions, it also applies to any Conversion of a Property to a Cooperative Property. However, the Form does not apply to any conversion of an existing Cooperative Property to a traditional rental Property and the Servicer must contact Multifamily Asset Management for any termination of an existing Cooperative Property.) **The termination of an existing Cooperative Property is not delegated and requires approval by Fannie Mae.** The Conversion must satisfy all terms and conditions of the Loan Documents. If the Loan Documents provide no specific guidance on approving a Conversion, then the provisions of this Form apply. The Servicer must not consent to subordinating the Lien of the Security Instrument to the condominium declaration. The Servicer is delegated the authority to approve a Conversion only to the extent delegated in this Form.

With Fannie Mae or Servicer approval, the Borrower may record the applicable condominium declaration or other documents. However, the Borrower must continue to operate the Property as a multifamily rental project. The Borrower may not market the Property as a condominium, sell units, vacate residential units, or commence a substantial rehabilitation of the Property.

The key points for the Servicer to consider in reviewing a request for the Conversion of the Property to a condominium or a Cooperative Property or the Termination of an existing condominium regime are set forth below.

Multifamily Selling and Servicing Guide Reference	Part V: Servicing and Asset Management, Chapter 4
Delegation Criteria	The Servicer is delegated the authority to approve a Condominium Conversion provided the Servicer completes all the Sections of this Form and answers “No” to all the questions in Part III. The Servicer may attach its own form narrative or memo in place of Section II, provided the memo contains the information requested in Section II and the Servicer completes the remaining sections of this Form. Fannie Mae approval of the Conversion is required if one or more questions in Section III is answered “Yes”.
Real Estate Considerations	<p>The Servicer must evaluate any Conversion to determine the likely impact on the Property. A Conversion having any material adverse effect on the value, desirability, or marketability of the Property, or on the health or safety of the tenants, should not be approved.</p> <p>Generally, a Condominium Conversion is neutral to the real estate risk, provided:</p> <ul style="list-style-type: none"> <li>the Borrower does not market the Property as a condominium, sell condominium units, vacate residential units, or commence a substantial rehabilitation of the Property until the Mortgage Loan is repaid; and</li> <li>the Condominium Conversion is permitted by the laws of the Property jurisdiction and documented correctly.</li> </ul> <p>However, reputational risk could be present if the Property market views Condominium Conversions negatively, or if the Conversion is perceived as reducing the supply of affordable housing.</p>
What to Submit	<p>For both delegated and non-delegated Conversion requests, the Servicer must complete the relevant parts of this Form, and submit:</p> <ul style="list-style-type: none"> <li>a signed copy of this Form, including Servicer narrative or memo, if any;</li> <li>copy of the Borrower Request; and</li> <li>any other supporting documentation.</li> </ul>
How to Submit	All delegated and non-delegated Conversion requests must be submitted as a Borrower Request through the Multifamily Asset Management Portal (MAMP).

Questions	<p>For questions, contact:</p> <ul style="list-style-type: none"> <li>• <b>General: <u>Multifamily Asset Management</u>;</b></li> <li>• <b>Structured Transactions</b> (Credit Facilities and Bulk Deliveries): <b><u>Multifamily Structured Asset Management</u>;</b></li> <li>• <b>Seniors Housing Properties: <u>Multifamily Seniors Housing Property Asset Management</u>;</b></li> <li>• <b>Borrower Channel: <u>Multifamily Borrower Channel</u>;</b></li> <li>• <b>Fannie Mae In-House Counsel: <u>Fannie Mae Multifamily Legal</u>;</b> or</li> <li>• <b>Fannie Mae Outside Counsel: <u>Pillsbury Winthrop Shaw Pittman LLP</u>.</b></li> </ul>
Fees	<p>The Borrower must pay the Servicer a \$2,500 review fee. The Servicer may increase or decrease its fee at its discretion. No Fannie Mae review fees are due.</p> <p>The Servicer may also seek reimbursement from the Borrower for all reasonable out-of-pocket costs, including reasonable legal fees incurred by Servicer's counsel.</p> <p>If Fannie Mae outside counsel is engaged, the Borrower must pay its fee, estimated at \$3,000 for most <u>Condominium Conversion</u> requests. The actual legal fee may be higher or lower, depending on the ultimate scope of the request and the time necessary to resolve. The Servicer will receive a summary invoice directly from Fannie Mae outside counsel and must arrange for payment. The Servicer will be apprised of any likely increases in the estimated review fee. The estimated legal fee must be collected from the Borrower before engaging Fannie Mae outside counsel.</p>
Legal Documentation	<p>If the request is delegated to the Servicer, the preparation of the legal documentation to effectuate the <u>Condominium Conversion or Termination</u> is also delegated to the Servicer. The Servicer is responsible for the preparation or review of <del>(a) all the condominium conversion documents relating to either (i) a <u>Condominium Conversion</u>, including the condominium declaration and bylaws, or (ii) a <u>termination of an existing condominium regime</u>, (b) any required draft amendments to the Loan Documents, and (iii) draft date-down endorsement to Fannie Mae's title insurance policy that reflects the recording of the condominium declaration or <u>condominium termination</u>, and confirms the priority of Fannie Mae's Lien, and (iv) any termination documents.</del></p> <p>In determining when amendments to the Loan Documents are required, the Servicer must consider the following:</p> <ul style="list-style-type: none"> <li>• If the <u>Conversion or</u> recording of the condominium declaration or similar document is required by local law, or causes a change to the legal description of the Property, the Security Instrument, UCC financing statements, and any other recorded instrument must be modified, executed, and recorded.</li> <li>• The modification to the Security Instrument must be recorded in conjunction with the <u>Conversion or</u> condominium declaration, and a title insurance endorsement obtained confirming the priority of Fannie Mae's Lien.</li> <li>• The Servicer must obtain a letter from the applicable taxing authority stating that the <u>Conversion or</u> recording of the condominium declaration will not immediately cause a separate tax bill for each unit. If the assessor does assess each unit separately or, despite the letter from the applicable taxing authority, issues separate tax bills, then the Servicer must set up a tax service for each unit for the remaining term of the Mortgage Loan. The Servicer may charge the Borrower for any such required tax service.</li> </ul> <p>For any <u>Conversion</u> to a Cooperative Property, the Loan Documents must be modified with the appropriate Borrower-executed Fannie Mae Forms for a Cooperative Property:</p> <p>(a) for a Mortgage Loan originated using the 6000 Series Loan Documents;</p> <ul style="list-style-type: none"> <li>• Modifications to Multifamily Loan and Security Agreement (Cooperative Properties) - Form 6210;</li> <li>• Modifications to Multifamily Loan and Security Agreement (Condominium Provisions) - Form 6202;</li> <li>• Modifications to Multifamily Security Instrument (Co-ops) - Form 6312; and</li> <li>• Modifications to Multifamily Security Instrument (Condominium Subordination) - Form 6304.</li> </ul> <p>(b) for a Mortgage Loan originated using the 4000 Series Loan Documents:</p> <ul style="list-style-type: none"> <li>• Modifications to Instrument - (Cooperative Corporation) - Form 4076;</li> </ul>

	<ul style="list-style-type: none"> <li>• Condominium Subordination - Form 4067.</li> </ul> <p>If the request is not delegated and/or Fannie Mae legal review is needed or requested, Fannie Mae counsel must be provided with the following:</p> <ul style="list-style-type: none"> <li>• a copy of the proposed condominium declaration and bylaws (or, if the condominium is being terminated, draft termination instruments);</li> <li>• copy of the Borrower Request;</li> <li>• completed Form 4636.CC;</li> <li>• draft amendments to the Loan Documents, as required above;</li> <li>• a draft date-down endorsement to Fannie Mae's title insurance policy that reflects the recording of the <u>Conversion</u> or condominium declaration and confirms the priority of Fannie Mae's Lien;</li> <li>• for each question in Part III of this Form answered "Yes" by the Servicer, the information requested by the Comments section and any supporting documentation.</li> </ul>
<p>Document Execution and Follow-Up</p>	<p>For non-delegated requests, Fannie Mae will review the documents and advise the Servicer of any needed follow-up actions. If Fannie Mae approves the non-delegated request or the Servicer has approved the delegated request, the instructions below must be followed for executing any required documents. The Servicer may use its Limited Power of Attorney for documents that Fannie Mae has reviewed and approved.</p> <p><b>If the Servicer Has Limited Power of Attorney</b></p> <p>If the Servicer has a Limited Power of Attorney permitting the execution of documents relating to the <u>Conversion</u>, an officer of the Servicer may sign as attorney-in-fact for Fannie Mae. The signature block must be signed "[Name of Servicer], as Attorney-in-Fact for Fannie Mae."</p> <p><b>If the Servicer Does Not Have Limited Power of Attorney</b></p> <p>If the Servicer does not have a Limited Power of Attorney, the documents must be sent for execution to:</p> <p>Fannie Mae Midtown Center  1100 15th Street, NW  Washington, DC 20005  Attention: Multifamily Asset Management Mailstop 8V-21</p> <p>A copy of this Form must be included with the request for execution, with instructions on where to return the executed documents. If the request is time sensitive, electronic versions of the documents may be sent to the applicable Fannie Mae email box address listed in the "Questions" section of this Form.</p> <p>The Servicer must record all applicable documents and retain all required documentation, including this Form, in the Servicing File. Documentation may be kept in electronic form. The Servicer must attach an electronic copy of any newly executed Loan Documents to the existing request in the MAMP. Executed original copies of any new or amended Loan Documents should be sent to the following address:</p> <p>Fannie Mae (Multifamily)  Certification and Custody  Document Delivery Facility (DDF)  21240 Ridgetop Circle  Sterling, VA 20166</p>

<p>Unauthorized Conversion</p>	<p>If the Servicer becomes aware that, <u>without approval from the Servicer or Fannie Mae, the Borrower (i) converted the Property to a Condominium or a Cooperative Property, (ii) terminated an existing to a condominium regime or (iii) converted an existing Cooperative Property to a traditional rental Property</u> without approval from the Servicer or Fannie Mae, the Servicer must:</p> <ul style="list-style-type: none"> <li>• promptly complete Form 4636.CC, and follow the same process as if the <u>Conversion or Termination</u> had not yet occurred;</li> <li>• immediately send to the Borrower a Reservation of Rights Letter (Form 4804); and</li> <li>• submit electronic copies of Forms 4636.CC and 4804 through the MAMP.</li> </ul> <p>If the Conversion or Termination is acceptable to the Servicer and all the questions in Section III of Form 4636.CC are answered “No”, the Servicer is delegated the authority to approve the Conversion or Termination.</p> <p>If the Conversion or Termination is not acceptable to the Servicer or if any question in Section III of Form 4636.CC is answered “Yes,” then the Servicer should submit a non-delegated Borrower Request through the MAMP with the information required by this Form. Fannie Mae will decide whether to approve the Borrower’s action <u>conversion of the Property to a condominium or cooperative property</u>, or declare the Mortgage Loan in default.</p> <p><u>Notwithstanding the above, if the Servicer discovered that the Conversion or Termination occurred without approval while processing a Supplemental Mortgage Loan or the refinancing of a Fannie Mae Portfolio Mortgage Loan, the Servicer is delegated the authority to waive the requirement to send the Borrower Form 4804. The Servicer should document this waiver in the MAMP.</u></p>
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1. Mortgage Loan Information (Include information for any supplemental Mortgage loan)

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Servicer

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Fannie Mae Loan Number

\_\_\_\_\_  
Other Fannie Mae Loan Numbers

\_\_\_\_\_  
Property Name

\_\_\_\_\_  
Property Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip

LTV and DSCR immediately prior to the proposed transaction <sup>1</sup>:

\_\_\_\_\_  
LTV      DSCR

\_\_\_\_\_  
Current UPB of Mortgage Loan(s)

**Original** Underwritten Loan-to-Value Ratio (LTV) and Underwritten Debt Service Coverage Ratio (DSCR) of Mortgage Loan

\_\_\_\_\_  
LTV      DSCR

LTV and DSCR immediately after the proposed transaction<sup>1</sup>:

\_\_\_\_\_  
LTV      DSCR

\_\_\_\_\_  
Most recent appraised value      Date of most recent appraisal  
(Generally the original Appraisal)

\_\_\_\_\_  
Current Value of the Property immediately prior to the proposed transaction<sup>1</sup>

\_\_\_\_\_  
Value of the Property immediately after the proposed transaction<sup>1</sup>

Basis for current value (i.e., most recent Appraisal, Direct Cap Method including Cap Rate and NCF)<sup>1</sup>

Basis for future value (i.e., most recent Appraisal, Direct Cap Method including Cap Rate and NCF)<sup>1</sup>

<sup>1</sup>Note: The LTV and DSCR calculations above must be based on Fannie Mae guidance in Part III of the Guide. The NCF must be based on the most recently-submitted Form 4254 (or its equivalent), and the NCF must be used in calculating the “immediately prior” and “immediately after” DSCR, and the Direct Cap Method for deriving the LTV. In determining the “immediately prior” and “immediately after” LTV, the Servicer may use a broker’s opinion of value, the most recent Appraisal, or the Servicer’s estimate of value using the Direct Cap Method supported by market cap rates and sales comparables. Most conversions should have no effect on NCF, LTV, DSCR, and Value.

## 2. Transaction Summary

The Servicer may attach its own form narrative or memo in place of Section 2 provided it contains the information requested in Part 2 and the Servicer completes the remaining sections of this form.

1. Briefly describe the proposed transaction and Servicer's recommendation:

2. Describe the benefits that will result from the proposed transaction:

3. Describe the risks of the proposed transaction, with specific emphasis on risks related to those questions that are answered "Yes":

4. Briefly describe the actions that are being taken by the Servicer and Borrower to mitigate those risks.

5. Briefly describe any other relevant information (if none, answer N/A).

3. Delegation Determination Questions (If any question is answered YES - the request is not delegated to the Servicer)

	Questions	Response	Guide Reference or Comments
1	Is the Mortgage Loan currently rated <del>Substandard or Doubtful</del> on Fannie Mae's Watchlist?	Yes No	If "Yes", describe how the proposed conversion mapping will affect the Mortgage Loan risk factors.
2	<p>Is the Mortgage Loan in either:</p> <p>(a) <del>Is the Mortgage Loan in Payment Default?</del></p> <p>(b) <del>Is the Mortgage Loan in Performance Default?</del></p> <p>(Note: Answer "No" if the only Performance Default is the occurrence of the Conversion or Termination that required Lender consent without prior approval from the Servicer or Fannie Mae.)</p>	<p>Yes No</p> <p><u>Yes</u> <u>No</u></p>	<p>(a) If "Yes," notify <u>Multifamily Asset Management</u> immediately if in Payment Default.</p> <p>(b) If "Yes" in Performance Default (including the Borrower converting the Property to a condominium or a cooperative property without Servicer or Fannie Mae consent), submit the Form 4636.CC, including information regarding the default and actions to cure the default.</p>
3	Will the request require an amendment to either the Master Credit Facility Agreement or Bulk Delivery Agreement? (Applicable only to a Fannie Mae Credit Facility or Bulk Delivery.)	Yes No	If "Yes", contact <u>Multifamily Structured Asset Management</u> for Credit Facilities and Bulk Deliveries. The Servicer must send the completed Form 4636.CC through the MAMP for review, and Fannie Mae Counsel will be engaged.
4	Is the conversion a result of or will it cause a zoning violation, health code violation, or building code violation?	Yes No	If "Yes," notify <u>Multifamily Asset Management</u> immediately.
5	Would the conversion have a material adverse effect on the marketability or occupancy of the Property?	<input type="checkbox"/> Yes <input type="checkbox"/> No	If "Yes", submit a copy of the most recent Appraisal, market study, or other documentation related to the marketability or occupancy of the Property.
			If "Yes", state the difference and submit a

6	Would there be a material difference (greater than 10%) between the current market value of the Property and the expected market value of the Property after the conversion?	<p style="text-align: center;">Yes      No</p> <p style="text-align: center;"><input type="checkbox"/>    <input type="checkbox"/></p> <p style="text-align: center;"><input type="checkbox"/>    <input type="checkbox"/></p>	<p>copy of the most recent Appraisal or value estimate:</p> <hr/> <p>Difference</p>
7	Would the LTV for the Mortgage Loan after the conversion be higher than the Underwritten LTV?	<p style="text-align: center;">Yes      No</p> <p style="text-align: center;"><input type="checkbox"/>    <input type="checkbox"/></p>	If "Yes", submit a copy of the most recent Appraisal or documentation related to the change in Property value.
8	Would the conversion cause a zoning violation based on the applicable zoning or allowable density requirements for the Property?	<p style="text-align: center;">Yes      No</p> <p style="text-align: center;"><input type="checkbox"/>    <input type="checkbox"/></p> <p style="text-align: center;"><input type="checkbox"/>    <input type="checkbox"/></p>	If "Yes", submit a summary of the local ordinances affected by the conversion, the Borrower's plan to correct the zoning or density issue, and the Servicer's opinion concerning the sufficiency of the current ordinance and law insurance coverage.
9	In connection with the conversion, will the Borrower substantially renovate units or common areas?	<p style="text-align: center;">Yes      No</p> <p style="text-align: center;"><input type="checkbox"/>    <input type="checkbox"/></p> <p style="text-align: center;"><input type="checkbox"/>    <input type="checkbox"/></p>	If "Yes", notify <u>Multifamily Asset Management</u> immediately.
10	In connection with the conversion, will the Borrower actively decrease occupancy (e.g., suspend leasing of vacant units)?	<p style="text-align: center;">Yes      No</p> <p style="text-align: center;"><input type="checkbox"/>    <input type="checkbox"/></p>	If "Yes", notify <u>Multifamily Asset Management</u> immediately.
11	In connection with the conversion, will the Borrower actively market units for sale?	<p style="text-align: center;">Yes      No</p> <p style="text-align: center;"><input type="checkbox"/>    <input type="checkbox"/></p>	If "Yes", notify <u>Multifamily Asset Management</u> immediately.

#### 4. Servicer Certification

The Servicer hereby represents and warrants to Fannie Mae that, to the best of its knowledge, the statements made in this Form are true and correct, and that no material facts have been omitted or misstated.

\_\_\_\_\_  
Signed\*

\_\_\_\_\_  
Name

  

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\*An electronic signature is acceptable.