



Fannie Mae®

---

# Multifamily Selling and Servicing Guide

Effective as of May 27, 2026

No portion of this Multifamily Selling and Servicing Guide may be reproduced in any form or by any means without Fannie Mae's prior written permission, except as may be provided herein or unless otherwise permitted by law. Limited permission to reproduce this Multifamily Selling and Servicing Guide in print, in whole or in part, and limited permission to distribute electronically parts of this Multifamily Selling and Servicing Guide, are granted to Fannie Mae-approved Lenders strictly for their own use in originating and selling multifamily Mortgage Loans to, and servicing multifamily Mortgage Loans for, Fannie Mae. Fannie Mae may revoke this limited permission by sending 60 days advance written notice to any or all Fannie Mae-approved Lenders.



## TABLE OF CONTENTS

---

Part III Section 1701 Eligibility .....	3
GLOSSARY .....	6



## Section 1701 Eligibility

---

### Requirements

A Choice Refinance Loan is a Portfolio Mortgage Loan that is eligible for a streamlined underwriting process which reduces origination costs.

To use the Choice Refinance Loan streamlined underwriting, you must ensure:



Topic	Requirements
Prerequisites	<ul style="list-style-type: none"><li>• You have been the Servicer of the Portfolio Mortgage Loan for the last 12 months.</li><li>• The Choice Refinance Loan complies with Form 4660 .</li><li>• The Portfolio Mortgage Loan is not in default.</li><li>• The Borrower has demonstrated a commitment to its obligations under the Portfolio Mortgage Loan by<ul style="list-style-type: none"><li>- maintaining the Property in good physical condition,</li><li>- providing competent Property management services, and</li><li>- complying with the requirements under the Loan Documents.</li></ul></li><li>• You completed a full PCA per<ul style="list-style-type: none"><li>- Part II, Chapter 4: Lease Audits, Inspections, and Reserves, Section 404: Property Condition Assessment (PCA), and</li><li>- Form 4099.</li></ul></li><li>• The Property:<ul style="list-style-type: none"><li>- is operating on a stabilized basis;</li><li>- has a most recent overall inspection rating of 1 or 2;and</li><li>- during the underwriting inspection,does not show any:<ul style="list-style-type: none"><li>▪ adverse change in Property condition, except normal wear and tear;or</li><li>▪ life safety issues.</li></ul></li></ul></li></ul>



Topic	Requirements
Loan History	<ul style="list-style-type: none"><li>• The Portfolio Mortgage Loan:<ul style="list-style-type: none"><li>- has a good payment history, with no delinquencies of 60 days or more during the 3 years immediately preceding the proposed refinance;</li><li>- is not on the current Fannie Mae Watchlist;</li><li>- had no declared non-Payment Defaults that remained uncured for more than 120 days;</li><li>- was underwritten and delivered per then-applicable Guide provisions; and</li><li>- is serviced per the Guide.</li></ul></li><li>• There were no unauthorized assumptions or changes in ownership, and no unauthorized Liens filed against the Property.</li></ul>
Additional Collateral	The Portfolio Mortgage Loan does not have a Letter of Credit or additional cash collateral.
Pricing	The pricing that was approved for the Portfolio Mortgage Loan does not apply to the Choice Refinance Loan.
Underwriting	The Choice Refinance Loan, regardless of the Underwritten DSCR, must be of sufficient credit quality to repay the refinanced Mortgage Loan without individually negotiated debt relief.



## Glossary

### B

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

**Synonyms**

- Borrowers
- Borrower's

### C

**Choice Refinance Loan** Mortgage Loan refinancing a Portfolio Mortgage Loan using streamlined underwriting per [Part III, Chapter 18: Choice Refinance Loans](#).

**Synonyms**

- Choice Refinance Loans

**Collateral** Property, Personal Property, or other property securing a Mortgage Loan.

### 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

### G

**Guide** Multifamily Selling and Servicing Guide controlling all Lender and Servicer requirements unless a Lender Contract specifies otherwise.

**Synonyms**

- DUS Guide



## L

**Lease** Written agreement between an owner and the tenant of a Property stipulating the conditions for possession and use of real estate for a specified period of time and rent.

### **Synonyms**

- Leases

**Letter of Credit** Letter of Credit approved by Fannie Mae per [Part I, Chapter 2: Mortgage Loan, Section 204: Letters of Credit](#).

### **Synonyms**

- Letters of Credit
- Letter of Credit's
- LOC
- LOCs

**Loan Documents** All Fannie Mae-approved documents evidencing, securing, or guaranteeing the Mortgage Loan.

### **Synonyms**

- Loan Document
- Mortgage Loan Document
- Mortgage Loan Documents

## 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
- Mortgage Loan's

## P



## Portfolio Mortgage Loan

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

### **Synonyms**

- Portfolio Mortgage Loans
- Portfolio Mortgage Loan's

## 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

## Property Condition Assessment

Assessment of the Property's physical condition and historical operation.

### **Synonyms**

- PCA
- PNA
- Physical Needs Assessment
- PCAs

## **S**

## Servicer

Primary Person servicing the Mortgage Loan, including

- the originator,
- seller, or
- a third party.

### **Synonyms**

- Servicers
- Servicer's

## **W**



## Watchlist

The risk rating classification if you or Fannie Mae determine the Mortgage Loan has heightened credit risk.