



# Multifamily Mortgage Business Lender Letter 20-13

June 24, 2020

To: Multifamily Lenders  
From: Te-Mika Warner, Associate General Counsel  
Subject: Lender Letter 20-13 – Loan Document Update

## Highlights

Fannie Mae is updating the Loan Documents for changes to additional reserve requirements in connection with a recent update to Fannie Mae's Multifamily Underwriting Standards and in response to the ongoing COVID-19 national emergency.

### Loan Document Updates for Additional Reserves

Fannie Mae is updating the Loan Documents in connection with changes that have been made to Fannie Mae's escrow requirements for additional reserves for Tier 2 and Tier 3 Mortgage Loans Committed on or after June 22, 2020, including elimination of the requirement for additional Tax and Insurance and Replacement Reserve escrows.

For Mortgage Loans that are subject to these additional reserve requirements, these Loan Documents may be modified on a delegated basis to:

- retain language for additional Tax and Insurance and/or Replacement Reserve escrows if and as required by Fannie Mae;
- include a higher amount of reserves than required by Fannie Mae, or as required by Fannie Mae for certain products, (except that the Principal and Interest reserve must not be greater than 10% of the unpaid principal balance of the Mortgage Loan and must have a final disbursement release within 36 months); or
- hold the escrow in a non-interest-bearing account to the extent permitted by law.

In addition, for Mortgage Loans that are not subject to these reserve requirements, these Loan Documents may be used and modified on a delegated basis as provided above.



## Effective Date

The revised Loan Documents may be used immediately and must be used for all Mortgage Loans with a confirmed Commitment Date on or after the date of this Lender Letter.

## Contact Us

If you have questions regarding this Lender Letter or the Loan Documents, please contact your Deal Team, or Te-Mika Warner at [te-mika\\_warner@fanniemae.com](mailto:te-mika_warner@fanniemae.com).

## Associated Documents

The clean versions of the revised Loan Documents are available on the Loan Documents page on [multifamily.fanniemae.com](http://multifamily.fanniemae.com).

- Modifications to Multifamily Loan and Security Agreement – Addenda to Schedule 2 – Summary of Loan Terms (Additional Reserve Escrows) (Form 6102.25) ([blackline](#))
- Modifications to Multifamily Loan and Security Agreement (Additional Reserve Escrows) (Form 6268) ([blackline](#))
- Amendment to Mortgage Loan and Security Agreement (Additional P&I Escrow) (Form 6640) [6000 Series] ([blackline](#))
- Additional P&I Escrow Agreement (Form 6641) [4000 Series] ([blackline](#))