```
Property Name
            Street
3.
            City, State :
Zip Code :
4.
5. Fannie Mae Loan Number :6. Loan Purchase Date :
7. Maturity Date
8.
   Lender Name
9.
   Lender Number
10. Number of Units
11. Year Built
12. Property Condition :
                              As of:
13. Do borrower's current report year operating statements cover less than
    a full year? If yes, number of months covered:
     (Annualize partial-year data below.)
RESULTS FOR CURRENT REPORT YEAR (12-month period ending
                                                               ):
                                 Annual Per Unit/Month
INCOME:
14. Gross Potential Rent (GPR) :
                                                  % GPR
15. Less Vacancy

    Less Bad Debt
    Less Concessions

                                                  % GPR
                                                  % GPR
18. Laundry
19. Parking
20. Commercial
21. Other (describe below) :
22. EFFECTIVE GROSS INCOME (EGI):
                                  Annual Per Unit/Year
EXPENSES:
                                                  % EGI
23. Management
                                                  % EGI
24. Administrative
25. Payroll
26. Utilities
27. Water & Sewer : 28. Repair & Maintenance :
29. Insurance
 30. Real Estate Taxes
 31. Replacement Reserve
 32. TOTAL EXPENSES
 33. NET OPERATING INCOME
 34. ANNUAL DEBT SERVICE
 35. DEBT COVERAGE RATIO
 36. OTHER PROPERTY OBLIGATIONS :
 37. COMBINED DEBT COVERAGE RATIO:
 CAPITAL IMPROVEMENT EXPENDITURES (Current year only - 20 NOT include in
 operating expenses):
      Expenditure Amount Expenditure Purpose
 38.
 39.
 40.
 41.
 42.
 43. Total $
```

REPLACEMENT RESERVE ACTIVITY (Current report year only): 44. Beginning Balance: \$ 45. Outlays : \$ 46. Collections : \$ 47. Ending Balance : \$
OTHER COLLATERAL/GUARANTEES: 48. Achievement Collateral : \$ 49. Other Collateral 1 (describe below): \$
50. Other Collateral 2 (describe below): \$
51. Guarantee : \$
If debt coverage ratio for the current report year is less than 1.0, or less than original underwriting DCR for DUS loans purchased within the last two years, please enter comments (see instructions): 52.
MATURING LOANS: 53. Is the mortgage maturing within 2 years of the ending date of the current report year? If yes, please enter comments addressing refinancing plans and prospects (see instructions):
54.
OTHER COMMENTS: 55.
APPROVED BY: Name: Title:
TRANSMISSION:

ID:

Time:

Date:

Chapter Two: Form 4254 Field Descriptions

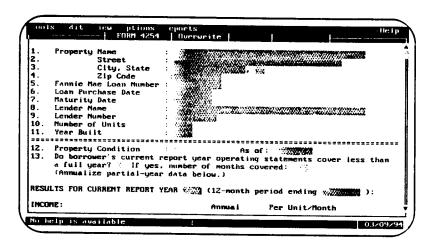
This chapter contains detailed descriptions for each field on the Multifamily Financial Analysis of Operations Form (Form 4254). The descriptions contain an explanation of the field as well as guidelines for entering the data correctly.

The chapter is broken down into screen sections to make it easier to find each field. Each screen section of the Form is followed by the field descriptions contained in the screen.

A detailed description of fields 1 through 55 of Form 4254 follows.

User Guide 2-1

Form 4254 Field Descriptions Fields 1-13



A detailed description of fields 1-13 of Form 4254 follows:

1. Property Name

Enter the name of the multifamily property. You may enter up to 40 characters and any punctuation you want. Required.

2. Property Street

Enter the street address of the property. You may enter up to 35 characters and any punctuation you want. Required.

3. Property City

Enter the name of the city where the property is located. You may enter up to 15 characters and any punctuation you want. Required.

Property State

Enter the valid two-letter abbreviation for the state where the property is located. You may enter only two characters. Required.

4. Property Zip Code

Enter the property's five-digit zip code and, optionally, the four-digit extension known as the Super Zip Code. You must enter at least five digits and may enter up to nine digits. Must be a valid zip code for the state in which the property is located. Required.

5. Fannie Mae Loan Number

Enter the number assigned to this loan by Fannie Mae. You must enter ten digits. If your Loan Number is only six digits, add four zeros to the front of your number. Required.

6. Loan Purchase Date

Enter the calendar date of the original loan purchase. The Loan Purchase Date must be in MM/DD/YY format. You must enter a leading zero for months or days with only one digit. Sample format: 06/07/90. Required.

7. Maturity Date

Enter the calendar date that the property's loan matures. The Maturity Date must be in MM/DD/YY format. You must enter a leading zero for months or days with only one digit. Sample format: 06/07/90. Required.

8. Lender Name

Enter the name of your organization. You may use up to 40 characters and any punctuation you want. Required.

9. Lender Number

Enter the unique nine-digit identification number that was assigned to your company by Fannie Mae and under which you report to Fannie Mae for this loan. You must enter nine digits. Required.

10. Number of Units

Enter the total number of units in the property. Must be larger than zero.

11. Year Built

Enter the year the property was originally built. Must be in YYYY format. Sample format: 1990. Required.

12. Property Condition

Enter the lender's most recent assessment of the physical condition of the property. Enter E for Excellent, G for Good, S for Satisfactory, and P for Poor condition. Required.

Property Condition, As Of Date

Enter the date of the lender's most recent assessment of the property's physical condition. Must be in MM/DD/YY format. You must enter a leading zero for months or days with only one digit. Sample format: 06/07/90. Required.

13. Report Covers Less Than A Full Year

If the borrower's current report year operating statements cover less than a full year then enter Y (yes). If the borrower's current report year is a full year enter N (no). Required.

Number of Months Covered

If you answered Y (yes) to the Report for Less Than A Full Year field, you must enter the number of months that the borrower's operating statements cover. The number of months must be greater than or equal to 1 and less than or equal to 11. If you answered N (no) to the Report for Less Than A Full Year, then leave this field blank.

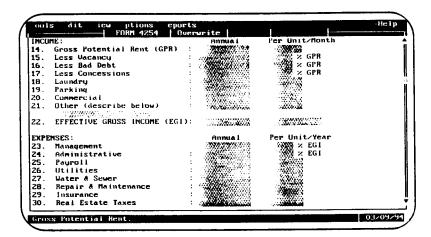
Current Report Year

Enter the fiscal year for which activity is being reported on this Form 4254. This should be the property's most recently completed fiscal year. Must be in YYYY format. Sample format: 1990. Required.

12-Month Period Ending Date

Enter the ending date of the property's fiscal year for which activity is being reported on this Form 4254. Must be in MM/DD/YY format. You must enter a leading zero for months or days with only one digit. Sample format: 06/07/90.

Form 4254 Field Descriptions Fields 14-30



A detailed description of fields 14-30 of Form 4254 follows:

Income

14. Gross Potential Rent (GPR)

Enter the dollar amount of the Gross Potential Rent (the sum of potential income from all unit types at 100% occupancy). Include potential income from employee and model (or non-revenue producing) units. The GPR must be greater than zero. Required.

Gross Potential Rent (GPR) Per Unit/Month

The System will automatically calculate the per unit, per month gross potential rent amount based on the number you entered in the GPR field. This field cannot be modified and will recalculate automatically if the GPR changes.

Field Descriptions User Guide 2-5

15. Vacancy

Enter the dollar amount of the annual foregone residential income due to physical vacancy. Exclude foregone income from employee (or the non-revenue producing) units from vacancy amount. Must be greater than or equal to zero.

Vacancy (% GPR)

The System will automatically calculate the vacancy as a percentage of the gross potential rent (GPR) based on the number you entered in the Vacancy field. This field cannot be modified and will recalculate automatically if you change the Vacancy field.

16. Bad Debt

Enter the dollar amount of the annual foregone residential income due to non-paying tenants. Must be greater than or equal to zero.

Bad Debt (% GPR)

The System will automatically calculate the bad debt as a percentage of the gross potential rent (GPR) based on the number you entered in the Bad Debt field. This field cannot be modified and will recalculate automatically if you change the Bad Debt field.

17. Concessions

Enter the dollar amount of the annual foregone residential income due to rental concessions (e.g., free rent for one or more months, a move-in allowance, etc.). Must be greater than or equal to zero.

Concessions (% GPR)

The System will automatically calculate the concessions as a percentage of the gross potential rent (GPR) based on the number you entered in the Concessions field. This field cannot be modified and will recalculate automatically if you change the Concessions field.

18. Laundry

Enter the dollar amount of the annual laundry income. Must be greater than or equal to zero.

Laundry Per Unit/Month

The System will automatically calculate the per unit, per month laundry income based on the number you entered in the Laundry field. This field cannot be modified and will recalculate automatically if you change the Laundry field.

19. Parking

Enter the dollar amount of the annual net parking income. Must be greater than or equal to zero.

Parking Per Unit/Month

The System will automatically calculate the per unit, per month parking income based on the number you entered in the Parking field. This field cannot be modified and will recalculate automatically if you change the Parking field.

20. Commercial

Enter the dollar amount of the annual income (net of any vacancies) from commercial tenants. Must be greater than or equal to zero.

Commercial Per Unit/Month

The System will automatically calculate the per unit, per month commercial income based on the number you entered in the Commercial field. This field cannot be modified and will recalculate automatically if you change the Commercial field.

21. Other

Enter the dollar amount of any annual income not reflected in the above categories. Exclude interest earnings and insurance drafts (except rent loss). Must be greater than or equal to zero.

Other Per Unit/Month

The System will automatically calculate the per unit, per month Other income based on the number you entered in the Other field. This field cannot be modified and will recalculate automatically if you change the Other field.

Field Descriptions User Guide 2-7

Other Description

Enter a description of the Other type of income if Other income is greater than zero. You may enter up to 20 characters and any punctuation you want. Comments are required if Other income field is greater than zero.

22. Effective Gross Income (EGI)

The System automatically calculates the Effective Gross Income (EGI) by adding GPR (less vacancy, bad debt, and concessions) to laundry, parking, commercial, and other income. This field cannot be modified and will recalculate automatically if any of the aggregated fields change.

Effective Gross Income (EGI) Per Unit/Month

The System automatically calculates the per unit, per month effective gross income. This field cannot be modified and will recalculate automatically if any of the included fields change.

Expenses

23. Management

Enter the dollar amount for the annual on-site management and leasing expense. Must be greater than or equal to zero.

Management (% EGI)

The System automatically calculates the management expense as a percentage of the effective gross income. This field cannot be modified and will recalculate automatically if you change the Management field.

24. Administrative

Enter the dollar amount of the annual expense for advertising, telephone, legal, audit, model units, other (non-employee) overhead units, and leased furniture. Must be greater than or equal to zero.

Administrative (% EGI)

The System automatically calculates the administrative expense as a percentage of the effective gross income. This field cannot be modified and will recalculate automatically if you change the Administrative field.

25. Payroll

Enter the dollar amount of the annual expense for the resident manager's salary, custodian's salary, engineer's salary, telephone operator's salary, security personnel's salary, other salaries, employee units, bonuses, other benefits, and payroll taxes. Must be greater than or equal to zero.

Payroll Per Unit/Year

The System automatically calculates the per unit, per year payroll expense. This field cannot be modified and will recalculate automatically if you change the Payroll field.

26. Utilities

Enter the dollar amount of the annual expense that relates to fuel, gas, and electricity paid for by the property owner (net of any rebates). Must be greater than or equal to zero.

Utilities Per Unit/Year

The System automatically calculates the per unit, per year utilities expense. This field cannot be modified and will recalculate automatically if you change the Utilities field.

27. Water and Sewer

Enter the dollar amount of the annual expense for water and sewer paid for by the property owner. Must be greater than or equal to zero.

Water and Sewer Per Unit/Year

The System automatically calculates the per unit, per year water and sewer expense. This field cannot be modified and will recalculate automatically if you change the Water and Sewer field.

Field Descriptions User Guide 2-9

28. Repair and Maintenance

Enter the dollar amount of the annual expense for trash removal, pest control, routine building maintenance and repairs, interior and exterior decorating, cleaning expenses, supplies, elevator maintenance, pool maintenance, parking area maintenance and snow removal, and gardening. Capital expenditures should NOT be included in this expense figure. Must be greater than or equal to zero.

Repair and Maintenance Per Unit/Year

The System automatically calculates the per unit, per year repair and maintenance expense. This field cannot be modified and will recalculate automatically if you change the Repair and Maintenance field.

29. Insurance

Enter the dollar amount of the annual expense for insurance, either escrowed on a monthly basis, or if not escrowed, paid directly to the insurance provider. Must be greater than or equal to zero.

Insurance Per Unit/Year

The System automatically calculates the per unit, per year insurance expense. This field cannot be modified and will recalculate automatically if you change the Insurance field.

30. Real Estate Taxes

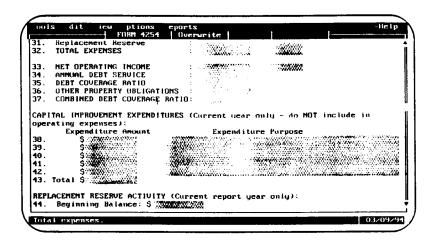
Enter the dollar amount of the annual taxes either escrowed on a monthly basis or paid directly to all taxing authorities. Must be greater than or equal to zero.

Real Estate Tax Per Unit/Year

The System automatically calculates the per unit, per year real estate tax expense. This field cannot be modified and will recalculate automatically if you change the Real Estate field.

2-10 Field Descriptions

Form 4254 Field Descriptions Fields 31-43



A detailed description of fields 31-43 of Form 4254 follows:

31. Replacement Reserve

Enter the dollar amount for the total contributions during the current report year to any reserve fund for replacements. Must be greater than or equal to zero.

Replacement Reserve Per Unit/Year

The System automatically calculates the per unit, per year replacement reserve expense. This field cannot be modified and will recalculate automatically if you change the Replacement Reserve field.

32. Total Expenses

The System automatically calculates the total expenses by summing the line item expense amounts. This field cannot be modified and will automatically recalculate if any of the above Expense fields change.

Total Expenses Per Unit/Year

The System automatically calculates the total expenses per unit, per year. This field cannot be modified and will automatically recalculate if any of the Expense fields change.

33. Net Operating Income

The System automatically calculates the Net Operating Income by subtracting Total Expenses from Effective Gross Income. This field cannot be modified and will automatically recalculate if any of the Income fields or Expense fields change.

Net Operating Income Per Unit/Year

The System automatically calculates the Net Operating Income per unit, per year. This field cannot be modified and will automatically recalculate if the Net Operating Income field changes.

34. Annual Debt Service

Enter the annualized dollar amount of principal and interest due for the current report year on the Fannie Mae mortgage. The System automatically rounds the Annual Debt Service to the hundredth decimal place. Must be greater than or equal to zero. Required.

35. Debt Coverage Ratio

The System automatically calculates Debt Coverage Ratio by dividing Net Operating Income by the Debt Service. This field cannot be modified and will automatically recalculate if the Net Operating Income or Annual Debt Service fields change.

36. Other Property Obligations

Enter the annualized dollar amount of any payments due under subordinate debt or ground lease for the current report year. Must be greater than or equal to zero.

37. Combined Debt Coverage Ratio

The System automatically calculates the Combined Debt Coverage Ratio by dividing Net Operating Income by the sum of the Annual Debt Service plus Other Property Obligations.

Capital Improvement Expenditures

38. - 42. Expenditure Amount (5 fields)

Enter the dollar amount of any capital improvement expenditures. These are improvements, repairs, or replacements that are not handled by normal, routine maintenance. Capital improvements typically would include appliance replacements and system replacements such as HVAC and roofs. DO NOT include capital expenditures in Operating Expenses (fields 23 through 31). Must be greater than or equal to zero.

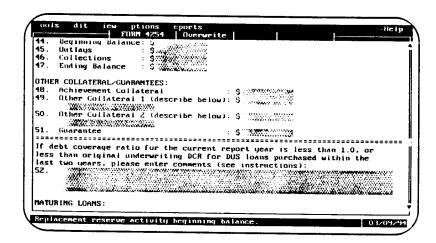
Expenditure Purpose (5 fields)

Enter a description of all capital improvement expenditures by general purpose (appliances, bath and kitchen fixtures, roofs, etc.). You may use up to 40 characters and any punctuation you want. Purpose descriptions are required for each Expenditure Amount field greater than zero.

43. Total

The System automatically calculates Total Expenditures by adding the Capital Improvement Expenditure Amounts together. This field cannot be modified and will recalculate automatically if any of the Capital Improvement Expenditure Amount fields change.

Form 4254 Field Descriptions Fields 44-52



A detailed description of fields 44-52 of Form 4254 follows:

Replacement Reserve Activity (Current Report Year Only)

44. Beginning Balance

Enter the dollar amount of the replacement reserve balance as of the start of the current report year. Must be greater than or equal to zero.

45. Outlays

Enter the total outlays during the current report year. Must be greater than or equal to zero.

46. Collections

Enter the total collections during the current report year including interest paid and retained. Must be greater than or equal to zero.

47. Ending Balance

The System automatically calculates the ending balance by adding the beginning balance and collections and subtracting outlays. This field cannot be modified and will recalculate automatically if you change any of the included fields.

Other Collateral/Guarantees

48. Achievement Collateral

Enter the dollar amount of any Achievement letter of credit (or other collateral) in place as of the end of the current report year. Must be greater than or equal to zero.

49. - 50. Other Collateral (2 fields)

Enter the dollar amount of any other collateral in place as of the end of the current report year. Must be greater than or equal to zero.

Other Collateral Description (2 fields)

Enter a description of any other collateral in place as of the end of the current report year. You may use up to 20 characters and any punctuation you want. A description is required for each Other Collateral field that is greater than zero.

51. Guarantee

Enter the dollar amount of any guarantee in place as of the end of the current report year. Must be greater than or equal to zero.

52. Debt Coverage Ratio Less Than 1.0 Comments

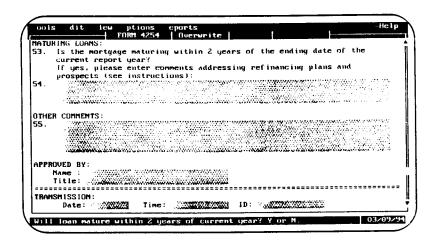
Enter comments if the Debt Coverage Ratio for the current report year is less than 1.0, or if it is less than the original underwriting debt coverage ratio for any DUS loan purchased within the last two years.

Your comments should specifically:

- identify the reasons for the property's underperformance, e.g., poor market conditions, physical deterioration of the property, ineffective property management, unanticipated expense increases, etc.; and
- describe any remedial steps that are being taken (or are planned) to address the identified performance problems.

You may use up to 70 characters per line and any punctuation you want. If you require additional space for comments, Field 55 "Other Comments" may be used. Required if the Debt Coverage Ratio is less than 1.0.

Form 4254 Field Descriptions Fields 53-55



A detailed description of fields 53-55 of Form 4254 follows:

53. Maturing Loans

If the loan is scheduled to mature within two years of the ending date of the current report year, you must enter Y (yes). If it is not scheduled to mature within two years of the ending date of the current report year, you must enter N (no). Required.

54. Maturing Loans: Refinancing Plans and Prospects Comments

If you answered Y (yes) to the Maturing Loans Field, enter narrative comments relating to the borrower's prospects for successfully refinancing the loan on or before the maturity date. Your comments should take into account the extent to which the refinancing may be affected by factors such as the current or prospective:

- financial condition of the property;
- physical condition of the property;
- financial condition of the borrower:
- market conditions; and
- interest rate levels.

Any factors/conditions that are likely to be impediments to the successful refinancing of the maturing loan should be specifically identified; e.g., poor property condition requiring extensive work, poor project economics, borrower problems, poor market conditions, etc. If available, information on the borrower's anticipated timetable and expected refinancing source should be included in your comments.

You may use up to 70 characters per line and any punctuation you want. Comments are required if you answered Y (yes) to the Maturing Loans field. If you require additional space for comments, Field 55 "Other Comments" may be used.

If you answered N (no) to the Maturing Loans field, leave the comments field blank.

55. Other Comments

Enter any narrative comments you wish that might help explain any information you have entered into this Form. In particular, you should explain any edits that you have chosen to override. You may use up to 70 characters per line and any punctuation you want.

Approved by: Name

Enter the name of the officer responsible for assembling the Form 4254 information. You may use up to 30 characters and any punctuation you want. Required.

Approved by: Title

Enter the title of the officer responsible for assembling the Form 4254 information. You may use up to 30 characters and any punctuation you want. Required.

Transmission Date

System generated field that indicates the date this Form was transmitted to Fannie Mae. This information is automatically entered upon completion of your transmission. This field cannot be modified.

Transmission Time

System generated field that indicates the time of day this Form was transmitted to Fannie Mae. This information is automatically entered upon completion of your transmission. This field cannot be modified.

Transmission ID

System generated field that indicates the message ID for the transmission of this form to Fannie Mae. This information is automatically entered upon completion of your transmission. This field cannot be modified.