



Multifamily Mortgage Business Lender Letter 24-06

October 16, 2024

To: Multifamily Lenders

From: Deborah Arnold, Senior Director & Deputy
General Counsel

Subject: Lender Letter 24-06 – Loan Document Update

HIGHLIGHTS

Fannie Mae is announcing updates to the Loan Documents which may be used immediately and must be used for all Mortgage Loans with a confirmed Commitment Date on or after November 13, 2024.

Revised Loan Documents

- We revised the Expanded Housing Choice loan documents (6273 and 6620.Supplemental.Expanded Housing Choice)
- In 6273:
 - We revised the property management covenant to include additional conditions to those that prohibit the property manager from discriminating against applicants, tenants, their family members and occupants based solely on the use of Housing Choice Vouchers for the payment of rent and other lawful charges.
 - We added new representations that the Mortgaged Property is not located in a jurisdiction that has enacted protections against Source of Income Discrimination for housing applicants and tenants using Housing Choice Vouchers that will become effective within twenty-four (24) months of the mortgage loan effective date, and that the rent for at least forty percent (40%) of the units (an increase from 20%) at the Mortgaged Property, is within “Fair Market Rents” or “Small Area Fair Market Rents” as defined by HUD.
 - We modified the items to furnish to Lender and included a new reporting requirement that on or before March 15 after the end of each calendar year, Lender must obtain from Borrower a rent schedule or rent roll dated as of December 31 of the previous year and submit a Streamlined Rent Roll. If Borrower fails to timely comply, then Borrower must pay to Lender the Expanded Housing Choice Monetary Penalty (equal to \$5,000).
 - We deleted the Recapture Payment since the requirement for the Payment Guaranty (Pricing Incentive Recapture) has been removed.
 - We removed the Baseline Fair Housing Testing and Subsequent Fair Housing Testing, and replaced them with the First Fair Housing Testing, Second Fair Housing Testing and Third Fair Housing Testing to determine whether Borrower is in compliance with the Housing Choice Voucher Program.

- If Borrower fails to pass the First Fair Housing Testing, then Borrower must require that all necessary and appropriate staff of Borrower or any property manager for the Mortgaged Property complete Fair Housing Training. Failure to complete the Fair Housing Training constitutes a non-monetary event of default. Borrower must deliver to Lender written notice of completion of the Fair Housing Training.
- If Borrower fails to pass the Second Fair Housing Testing, Borrower must require that all necessary and appropriate staff of Borrower or any property manager for the Mortgaged Property complete Fair Housing Training. Failure to timely complete any mandated Fair Housing Training shall be an immediate Event of Default. Borrower must deliver to Lender written notice of completion of the Fair Housing Training. Borrower must also submit the Supplemental Annual Loan Agreement Certification (Expanded Housing Choice).
- If Borrower fails to pass the Third Fair Housing Testing or is otherwise determined not to be in compliance with the Housing Choice Voucher Program, Borrower must enter into a remedial housing plan with Fannie Mae to provide housing to Housing Choice Voucher renters meeting specific requirements.
- In 6620.Supplemental.Expanded Housing Choice:
 - We revised the Supplemental Annual Loan Agreement Certification (Expanded Housing Choice) to provide that a certificate with respect to each calendar year must attach a report stating the number of rental applications received from a tenant or a prospective tenant seeking to use a Housing Choice Voucher during the last calendar year, the current status of each application, and an explanation for denying any application seeking to use a Housing Choice Voucher.
 - The certification must attach certain information.

Effective Date

The Loan Documents may be used immediately and must be used for all Mortgage Loans with a confirmed Commitment Date on or after November 13, 2024.

Contact Us

If you have questions regarding this Lender Letter or the Loan Documents, please contact your Deal Team, or Deborah Arnold at deborah_arnold@fanniemae.com.



EXHIBIT A: MULTIFAMILY MORTGAGE BUSINESS 6000 SERIES FORM LOAN DOCUMENTS

The Loan Documents are available on the [Multifamily Loan Documents](#) page on FannieMae.com. Please refer to the marked copies for complete details.

REVISED Documents:

Loan Document Requirements:

6000	Loan Documentation Requirements	marked copy
------	---------------------------------	-----------------------------

Delivery Requirements:

6502.Folders I and III	Multifamily Mortgage Loan Delivery Package Table of Contents (Folders I and III)	marked copy
------------------------	--	-----------------------------

Loan Document Modifications:

6273	Modifications to Multifamily Loan and Security Agreement (Expanded Housing Choice)	marked copy
------	--	-----------------------------

Asset Management:

6620.Supplemental.Expanded Housing Choice	Supplemental Annual Loan Agreement Certification (Expanded Housing Choice)	marked copy
---	--	-----------------------------