

Multifamily C&D Release Notes

Version 4.6

December 1, 2014

Multifamily Operations announces the release of Multifamily C&D 4.6 on **December 13, 2014**, with the enhancements described below.

Highlights

- Enhancements to support recent Multifamily Selling and Servicing Guide (the “Guide”) changes;
- Updates to certain calculations;
- Upload Template changes; and
- Additional system enhancements.

Introduction

C&D Release 4.6 will implement enhancements to align the system with recent Guide changes, including modifications to calculations for Debt Service Coverage Ratio (DSCR) and the Underwritten Loan to Value (LTV) ratio. Additionally, Release 4.6 incorporates changes to the Upload Template to accommodate new fields being added to the “Commitments”, “Loans”, and “Property Collateral” tabs. C&D business rules will also be enhanced to promote increased data accuracy.

I. Enhancements to Support Guide Changes

As a result of recent Guide updates, “Pricing Method” has been re-labeled to “Pricing Structure”, and, as a result of the elimination of the concepts of Baseline Debt Service Coverage Ratio and Baseline Loan to Value ratio, the following fields have been removed from the C&D system:

- Est. Baseline DSCR at Commitment (Combined if Supplemental);
- Est. Baseline DSCR at Conversion (Combined if Supplemental);
- Est. Baseline Net Operating Income at Conversion (\$);
- Baseline Effective Gross Income;
- Baseline Total Operating Expenses;
- Baseline NOI; and
- Baseline DSCR (Combined if Supplemental).

II. Updated Calculations

“DSCR/IO ARM (Combined if Supplemental)” has been re-labeled as “DSCR at Maximum Payment (Combined if Supplemental)”. In addition to this field re-label, a new condition has been added to the “DSCR at Maximum Payment” calculation to check for fixed rate interest only and fixed rate amortizing Cooperative Property Mortgage Loans. The calculation for Lender Underwritten LTV is also being modified to include a check for “Lines of Credit” and other “Additional Debt” conditions.

III. Upload Template Changes

The Guide and label changes discussed above are being updated on the Upload Template and Lender Download files. Additional Upload Template changes are described below.

On the “Commitments” tab, “Targeted Refinance” is being added as an allowable value for the “Fannie Mae Refinance Type” column. This new allowable value supports the Targeted Refinance initiative and process improvements previously communicated to Lenders.

On the “Loans” tab, “M-PIRE” is being added as an allowable value for the “Green Financing” column, to allow data to be captured for our newest product, the Multifamily Property Improvements to Reduce Energy. Moreover, for Multifamily Affordable housing, the “Green Refinance Plus” allowable value for MF Preservation Plus is being re-labeled as “Green Preservation Plus”.

On the “Property Collateral” tab, Affordable enhancements include the following:

- the following new column is being added:
 - 80% - Percentage of Units Set Aside for Tenants with Household Income at or below 80%; and
- the following columns are being re-labeled:
 - 60% - Percentage of Units Set Aside for Tenants with Household Income **at or below** 60%; and
 - 50% - Percentage of Units Set Aside for Tenants with Household Income **at or below** 50%.

Should you have any internal processes to populate the Upload Template and load into the C&D system, please consider the above template revisions. Also, all Upload Template changes are reflected on the respective pages in C&D.

IV. Additional System Enhancements

In addition to the field additions and modifications referenced above, the “Additional Debt” sub-section on the Loan page in C&D is being revised to make the “Maximum Monthly Payment (\$)” field a required field. Also, various fields are being added to the Certification Information Page and Printer Friendly report.

Please note that all applicable business rules are also being updated to accommodate Guide, field re-label, and Upload Template enhancements.

Effective Date

The changes are effective December 13, 2014.

Questions

If you have any questions or need more information, please contact:

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