

## Choice Refinance

Fannie Mae Multifamily offers a streamlined refinance execution for Fannie Mae Portfolio Mortgage Loans in good standing.



### Streamlined Requirements

(All other terms follow the requirements set for newly originated first-lien Mortgage Loans.)

<b>Pre-Review Mortgage Loans</b>	<p>Generally, no Pre-Review is required if the Pre-Review category for the Portfolio Mortgage Loan was previously approved by Fannie Mae.</p> <p>Please see the Multifamily Selling and Servicing Guide and the Multifamily Underwriting Standards (Form 4660) for complete requirements.</p>
<b>Property Documentation</b>	<p>Lender must document rationale in the Transaction Approval Memo.</p>
<b>Borrower Analysis</b>	<p>If the Borrower's organizational structure has changed, the Lender must review necessary documents to confirm that the new structure meets the current Guide requirements.</p> <p>For the Borrower, and each Key Principal, Guarantor, and Principal, the Lender will report ACheck results, and obtain and review financial statements.</p>
<b>Prepayment Premium</b>	<p>After the expiration of the Yield Maintenance period, the required 1% prepayment premium may be reduced in certain circumstances.</p> <p>Prepayment premium due may be paid from the proceeds of the new Choice Refinance Loan.</p>

### Benefits

- Flexible refinancing
- Increased Lender delegation
- Lower costs from reduced documentation
- Speed in processing and underwriting

### Eligibility

- Existing Fannie Mae Cash or MBS Mortgage Loan
- Lender must be the current Servicer of the Mortgage Loan being refinanced
- Property must be well maintained and stabilized as evidenced by the most recent property inspection
- Existing Mortgage Loan must meet standards related to past monetary and non-monetary defaults as outlined in the Guide
- Small Mortgage Loans and Mortgage Loans secured by Cooperative Properties may have additional eligibility requirements

### For More Information

Contact a Fannie Mae representative or visit the Multifamily Business Portal for details.

[multifamily.fanniemae.com](https://multifamily.fanniemae.com)



<b>Property Zoning</b>	<p>Borrower must certify that there has been no change in zoning affecting the Property in lieu of full underwriting.</p> <p>If the Property has been rezoned the Lender must satisfy the Guide requirements for non-conforming uses.</p>
<b>Escrows</b>	<p>Replacement reserve, tax, and insurance escrows are typically required.</p>
<b>Third-Party Reports</b>	<p>Phase I Environmental Site Assessment will not be required in most instances. Streamlined Property Condition Assessment (Form 4099.A) may be utilized.</p> <p>New appraisal and title insurance policy will be required.</p> <p>New survey is not required as long as requirements are met: see Part III, Chapter 18 of the Guide for details.</p>
<b>Third-Party Expenses</b>	<p>Origination Fees may be used to pay third-party expenses.</p>