

Choice Refinance

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

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 Financing Options site for details.

multifamily.fanniemae.com

**Streamlined Requirements***

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

Pre-Review Mortgage Loans*	<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>
Property Documentation	Lender must document rationale in the Transaction Approval Memo.
Borrower Analysis	<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>
Prepayment Premium	<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>
Escrows	Replacement reserve, tax, and insurance escrows are typically required.
Third-Party Reports*	<p>A Phase I Environmental Site Assessment is not required if:</p> <ul style="list-style-type: none"> an Environmental Professional performs an environmental database review and identifies no <ul style="list-style-type: none"> potential environmental concerns (as defined in ASTM E1528 - Standard Practice for Limited Environmental Due Diligence: Transaction Screen), or adverse conditions requiring further due diligence; the Borrower enters into an Environmental Indemnity Agreement (Form 6085); and you confirm that the Borrower is appropriately implementing any existing O&M Plans for the Property. <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>
Third-Party Expenses	Origination Fees may be used to pay third-party expenses.

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