Date: March 16, 2011
To: Multifamily Lenders
From: Brian S. McEvoy, Associate General Counsel
Subject: Guide Update 11-04 | 2011 Fannie Mae Multifamily Form Mortgage Loan Documents

HIGHLIGHTS

- Revisions to the 2011 Fannie Mae Multifamily form Mortgage Loan documents

As referenced in Guide Update 11-03, we are pleased to announce revisions to certain of the 2011 Fannie Mae Multifamily form Mortgage Loan documents (the “2011 Loan Documents”) to address comments received thereon. The changes include:

- Limiting the scope of the fraud recourse carve-out in Article 3 of the Multifamily Loan and Security Agreement, Form 6001, by removing gross negligence and willful misconduct;
- Removing the optional “recourse” language from Article 3, thereby making Form 6001 the standard, non-recourse form, Form 6001.NR (a separate, full recourse form of the Multifamily Loan and Security Agreement, Form 6001.R, will be added in the near future);
- Changing the financial reporting requirement for Guarantors and Key Principals to annual (instead of quarterly);
- Limiting the scope of the Borrower’s annual certification regarding its organization and Property status;
- Eliminating the interest-bearing account requirement for the Repairs Escrow Account;
- Limiting Lender’s right to obtain a credit report on Borrower, Key Principal or Guarantor to once every 12 months (however, Lender retains the rights to obtain a Credit Score at any time at Lender’s expense);
• Revising certain of the state-specific provisions contained in the Guaranty of Non-Recourse Obligations, Guaranty (Payment) and certain Security Instruments to better reflect the applicable custom and practice, based on additional guidance received from local counsel; and
• Ministerial, conforming or corrective changes as necessary.

Affected forms (clean and redlined versions) are attached via the links provided in the cover e-mail accompanying this Guide Update. The updated forms (clean versions only) are also available on www.efanniemae.com. If you have questions regarding this Guide Update or the 2011 Loan Documents, please contact your Deal Team or any of the following individuals:

• Brian S. McEvoy at brian_s_mcevoy@fanniemae.com or 202-752-7594; or

• Gary Fordyce at gary_fordyce@fanniemae.com or 202-752-8265.

Attachments:

• Multifamily Loan and Security Agreement (Non-Recourse) (Form 6001.NR) (Clean and Redlined);
• Multifamily Note (Form 6010) (Clean and Redlined);
• Guaranty of Non-Recourse Obligations (Form 6015) (Clean and Redlined);
• Guaranty (Payment) (Form 6020) (Clean and Redlined);
• Environmental Indemnity Agreement Security Agreement (Non-Recourse) (Form 6085) (Clean and Redlined);
• Multifamily Security Instrument (Maryland Deed of Trust) (Form 6025.MD); (Clean and Redlined);
• Multifamily Security Instrument (Oregon Deed of Trust) (Form 6025.OR); (Clean and Redlined); and
• Multifamily Security Instrument (South Carolina Mortgage) (Form 6025.SC); (Clean and Redlined).