



## Multifamily Mortgage Business Lender Letter 19-04

May 16, 2019

To: Multifamily Lenders

From: Robert Walton, Vice President for Multifamily Debt and Equity Asset Management

Subject: Lender Letter 19-04 | Asset Management Legal Fees

### HIGHLIGHTS

Effective May 20, 2019, Fannie Mae is updating the fixed fees for Fannie Mae legal review of Borrower Asset Management requests.

### Updated Legal Review Fees

Fannie Mae is revising the fees charged to Borrowers for any required Fannie Mae legal review of non-delegated Asset Management requests per Part V, Section 402 of the Multifamily Selling and Servicing Guide and the Multifamily Asset Management Delegated Transaction Form (Form 4636.series). This is the first fee increase in more than six years, and reflects updated expenses and actual time required for these matters. The fixed fee schedule is:

TYPE OF REQUEST	OLD LEGAL FEES (FIXED)	NEW LEGAL FEES (FIXED)	FANNIE MAE GUIDE FEE (NO CHANGES)
Achievement Agreement Extension	\$1,000	\$1,500	\$0
Assumptions/Transfers <sup>1</sup>	\$5,000	\$5,000	50 bps
Collateral Addition	\$2,500	\$3,000	\$0
Commercial Lease (Cell Tower/Antennae)	\$2,500	\$3,500 <sup>2</sup>	\$0
Commercial Lease (SNDA)	\$2,500	\$3,000	\$0
Commercial Lease (Solar Power)	\$2,500	\$3,500	\$0
Completion/Repair Extension	\$1,000	\$1,500	\$0
Condemnation	\$2,500	\$2,500	\$0
Condo Conversion	\$2,500	\$3,000	\$0
Conversion of Use	\$2,500	\$3,000	\$0
Easement	\$2,500	\$3,000	\$0
Oil, Gas or Mineral Rights Lease	\$2,500	\$3,000	\$0
Partial Release	\$2,500	\$3,000	\$0
Property Management Change	\$2,500	\$3,000	\$0
Regulatory Agreement (i.e., a LURA)	\$2,500	\$2,500	\$0
Subordinate Financing	\$2,500	\$3,500	\$2,500

(1) For Assumptions and Transfers, no changes are being made to either the fees or the review process. Borrowers are provided a \$5,000 legal fee estimate, but are charged for actual legal time spent on the request.

(2) For Cell Tower/Antennae Leases involving an assignment or sale of the lease to a third party with a request to subordinate the Fannie Mae interest in the Lease and/or Security Interest. More typical Cell Tower/Antennae Leases will be charged the Commercial Lease (SNDA) fee.



Each Form 4636 is being republished to reflect the new fees and update Fannie Mae's address to our new Midtown Center location. No changes are being made to the Guide.

### **Effective Date**

The new fees are effective for any Borrower request involving one of the above matters submitted on or after May 20, 2019.

### **Questions**

Please contact Michael Dick at (202) 752-6634 (or [michael\\_w\\_dick@fanniemae.com](mailto:michael_w_dick@fanniemae.com)), with any questions.

### **Associated Documents**

On the Effective Date, the new 4636 Forms will be published on the [Current Guide Forms](#) page on [fanniemae.com](http://fanniemae.com).

- [Form 4636.C – Condemnations](#)
- [Form 4636.CC – Condominium/Cooperative Property Conversions](#)
- [Form 4636.CL – Commercial Leases \(Form 4636.CL\)](#)
- [Form 4636.E – Easements](#)
- [Form 4636.OGL – Oil or Gas Leases](#)
- [Form 4636.PM – Property Management Changes](#)
- [Form 4636.PR – Partial Releases of Collateral](#)
- [Form 4636.TA – Assumptions or Transfers of Ownership Interests](#)
- [Form 4636.UC – Use Conversions](#)