



HCD Risk Management

Date: March 3, 2009
To: Fannie Mae Multifamily Servicers
From: Caroline Blakely, Vice President
Subject: NT Lender Memo 09-08: Transfer/Assumption on Borrower Recourse Mortgage Loans

HIGHLIGHTS

- Form 4706 - Modification to Instrument (Permitted Transfers for Recourse Loans) is required to be utilized for any newly originated or assumed/transferred Borrower Recourse Mortgage Loan
- Fannie Mae approval will be required for transfer/assumption waiver requests on Borrower Recourse Mortgage Loans
- Procedure to notify and/or request Fannie Mae approval for transfer/assumption waiver requests for Borrower Recourse Mortgage Loans

The purpose of this Lender Memo is to outline required procedures for the transfer and assumption of a Mortgage Loan that is

- fully recourse to the Borrower, or
- where a guarantor has executed a full payment guaranty of either
 - a non-recourse Mortgage Loan, or
 - full recourse Mortgage Loan,

(each, a "Borrower Recourse Mortgage Loan").

The requirements of this Lender Memo are not applicable to a non-recourse Mortgage Loan where no full payment guaranty has been executed or non-recourse Mortgage Loans where a guarantor or Key Principal has executed a guaranty of the carveouts to non-recourse.

A transfer and subsequent assumption of a Borrower Recourse Mortgage Loan may have tax consequences for the holder of the Mortgage Loan, including MBS investors