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### **Morningstar Credit Ratings Affirms MOR CS1 Commercial Mortgage Master-Servicer for Fannie Mae Multifamily Operations**

Oct. 28, 2019—Morningstar Credit Ratings, LLC (DBRS Morningstar) today affirmed its MOR CS1 commercial mortgage master-servicer ranking for Fannie Mae Multifamily Operations. The forecast for the ranking remains Stable.

DBRS Morningstar affirmed the ranking based on the following factors:

- The master servicer's strong management and professional depth and low employee turnover;
- A robust technology platform, which Multifamily Operations continues to strengthen;
- Proactive asset administration that centers on a comprehensive asset surveillance and watchlist process; and,
- Extensive subservicer oversight and auditing practices to monitor reporting accuracy and quality.

The ranking also considers the agency's broad training and professional-development program and effective internal-controls environment, which includes a risk-monitoring and audit program that has continually yielded clean results. Multifamily Operations' stringent compliance procedures and technology platform also support the agency's high standards for timely and accurate reporting and remitting from subservicers.

Multifamily Operations noted that it continues to progress with its Target State initiative, a multifaceted project to enhance and streamline the entire technology platform. To address last year's departure of its manager for subservicer relationship and portfolio-surveillance oversight, Multifamily Operations has been leveraging its organizational depth to fill this role collectively through other well-experienced managers and team members.

As of Jun. 30, 2019, the master-servicing portfolio had an unpaid principal balance of \$322.59 billion with a loan count of 27,316. By comparison, as of Dec. 31, 2018, the UPB was \$305.94 billion and the loan count was 27,386. The total number of subservicers remained unchanged at 43.

DBRS Morningstar's operational risk assessments methodology and all published reports are available at [www.morningstarcreditratings.com](http://www.morningstarcreditratings.com).

DBRS Morningstar's ranking, forecast, and assessments in this announcement are not assessments of the creditworthiness of an obligor or a security and thus are not credit ratings subject to NRSRO regulations.

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