



Fannie Mae®

Multifamily Selling and Servicing Guide

Effective as of April 1, 2026

No portion of this Multifamily Selling and Servicing Guide may be reproduced in any form or by any means without Fannie Mae's prior written permission, except as may be provided herein or unless otherwise permitted by law. Limited permission to reproduce this Multifamily Selling and Servicing Guide in print, in whole or in part, and limited permission to distribute electronically parts of this Multifamily Selling and Servicing Guide, are granted to Fannie Mae-approved Lenders strictly for their own use in originating and selling multifamily Mortgage Loans to, and servicing multifamily Mortgage Loans for, Fannie Mae. Fannie Mae may revoke this limited permission by sending 60 days advance written notice to any or all Fannie Mae-approved Lenders.



TABLE OF CONTENTS

Part III Section 1903.05 Construction Period	3
1903.05A Monitoring	3
1903.05B Reporting	4
1903.05C Forward Commitment Extensions	4
GLOSSARY	6



1903.05 Construction Period

1903.05A Monitoring

Requirements

You must monitor the construction process to ensure that when the permanent Mortgage Loan is converted it will comply with the

- Forward Commitment, and
- permanent Mortgage Loan Commitment.

Guidance

During the construction or substantial rehabilitation period:

Responsible Party	Activities
You	<ul style="list-style-type: none">• Evaluate inspections and change orders.• Reject any change orders that would:<ul style="list-style-type: none">- change the Property's main design or asset quality features;- make material changes; or- result in combined hard and contingency costs greater than the construction loan budget (i.e., the construction loan must remain in balance).• Review the consulting architect's progress reports and provide them to Fannie Mae upon request.• Monitor the construction loan and lease-up status.
Consulting Architect	<ul style="list-style-type: none">• Regularly perform on-site construction progress inspections.• Ensure the time between inspections is not more than 2 months.• Issue a progress report after each<ul style="list-style-type: none">- inspection, and- whenever the construction lender approves a disbursement.

You and the construction lender may both use the same consulting architect for the



- preliminary and final plans,
- specification reviews, and
- construction period inspections.

1903.05B Reporting

Requirements

You must provide quarterly reports to Fannie Mae via DUS Gateway using Construction Period Monitoring ([Form 4211](#)).

1903.05C Forward Commitment Extensions

Requirements

You must inform the Fannie Mae Deal Team and the Forwards Team if conversion may be delayed.

Guidance

If the Forward Commitment permits, you may approve a maximum delegated Forward Commitment extension up to:

- for MBS for Bonds, two 6-month periods; or
- for any other Mortgage Loan, one 6-month period.

Operating Procedures

The delegated Forward Commitment extension will become effective when all of the following occur:

- you submit the following extension documentation to Fannie Mae at least 30 days before the Forward Commitment expiration:
 - the Borrower's extension request;
 - a project status report, including reasons for the delay;
 - verification the Forward Commitment is likely to convert to a permanent Mortgage Loan within the extension period;
 - anticipated shortfall analysis of the Mortgage Loan amount at conversion and the source of funds for filling the shortfall;
 - confirmation there has been no material adverse change in the Borrower or Property; and
 - confirmation the Borrower's construction loan will be extended by the



same extension period as the Forward Commitment term.

- Fannie Mae processes the extension request; and
- at least 1 business day before the Forward Commitment expiration:
 - you enter all fees into C&D;
 - Fannie Mae receives the fees;
 - you submit a C&D request to adjust the Forward Commitment expiration date; and
 - you are notified the adjustment has been completed.

Requirements

Fannie Mae must approve all Forward Commitment extensions beyond the maximum delegated term. To request Fannie Mae approval:

- you must submit
 - all extension documentation required for a delegated extension, and
 - any requested revised stabilization analysis; and
- the Borrower must pay any required fees.



Glossary

B

Borrower Person who is the obligor per the Note.

Synonyms

- Borrowers
- Borrower's

C

Commitment Contractual agreement between you and Fannie Mae where Fannie Mae agrees to buy a Mortgage Loan at a future date in exchange for an MBS, or at a specific price for a Cash Mortgage Loan, and you agree to Deliver that Mortgage Loan.

Synonyms

- Committed
- Commitments

D

DUS Gateway Multifamily pre-acquisition system, or any successor systems, recording deal registration, Pre-Review and/or waiver tracking, Mortgage Loan Commitments, and decision records.

F

Fannie Mae Deal Team Team responsible for reviewing Pre-Review Mortgage Loans, waivers, etc.

Synonyms

- Deal Team



Forward Commitment Commitment to purchase a permanent Mortgage Loan for a to-be constructed or rehabilitated Property.

Synonyms

- Forward Commitment's
- Forward Commitments

Forwards Team Team that can be contacted at mf_forwards_team@fanniemae.com.

M

MBS for Bonds Fannie Mae MBS:

- issued to credit enhance tax-exempt Bonds; or
- exchanged for Bonds redeemed at MBS issuance.

Synonyms

- MBS Exchange
- MTEB
- MTEM

Mortgage Loan Mortgage debt obligation evidenced, or when made will be evidenced, by

- the Loan Documents, or
- a mortgage debt obligation with a Fannie Mae credit enhancement.

Synonyms

- Mortgage Loans
- Mortgage Loan's

P



Property

Multifamily residential real estate securing the Mortgage Loan, including the

- fee simple or Leasehold interest,
- Improvements, and
- personal property (per the Uniform Commercial Code).

Synonyms

- Properties
- Property's