



Fannie Mae®

Multifamily Selling and Servicing Guide

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2003.06 Construction Completion

Requirements

You must ensure that all Improvements on the Property are completed, including

- amenities,
- landscaping,
- signage,
- parking, etc.

If sufficient funds will be reserved in a Completion/Repair Escrow, minor punch list and weather-sensitive items may be incomplete.

Guidance

Use the following table for confirming construction completion and occupancy.

Responsible Party	Activities
Consulting Architect	<ul style="list-style-type: none">• Conduct a final Property inspection.• Certify the Property was completed per this Section.



Responsible Party	Activities
You	<p>Ensure all Improvements:</p> <ul style="list-style-type: none"> • were completed in a good and workmanlike manner per the approved plans and specifications; • are Lien-free; and • for all governmental authorities with jurisdiction over the Property, comply with all <ul style="list-style-type: none"> - applicable laws, - building codes, - zoning requirements, - subdivision requirements, - fire and safety laws, - ADA requirements, and - design and construction requirements per the Fair Housing Act. <p>Obtain:</p> <ul style="list-style-type: none"> • certificates and reports showing the Borrower completed all Improvements per the Guide from the <ul style="list-style-type: none"> - architect, - consulting architect, and - other project consultants; • evidence of all public utilities for the Property; • copies of: <ul style="list-style-type: none"> - all Property operating permits and licenses; and - either: <ul style="list-style-type: none"> ▪ each unconditional certificate of occupancy (or the local equivalent) for all required portions of the Property; or <ul style="list-style-type: none"> ▪ evidence the Property passed all inspections and received all approvals before occupancy, if local law does not require certificates of occupancy; and • a Certification of Substantial Completion (AIA Document G704) stating the Improvements were completed per the final plans and specifications, and executed by the appropriate parties, including the <ul style="list-style-type: none"> - architect, - general contractor, and - Borrower.



Glossary

B

Borrower Person who is the obligor per the Note.

Synonyms

- Borrowers
- Borrower's

C

Completion/Repair Escrow Custodial Account established by the Lender and initially funded by an escrow deposit from the Borrower on the Mortgage Loan Origination Date to complete Completion/Repairs or other capital improvements at the Property.

G

Guide Multifamily Selling and Servicing Guide that:

- controls all Lender and Servicer requirements unless a Lender Contract specifies otherwise; and
- includes any exhibits, appendices, or other referenced forms, as updated, amended, restated, modified, or supplemented.

Synonyms

- DUS Guide

I

Improvements Buildings, structures, improvements, and alterations, including the multifamily housing dwellings, now constructed or hereafter constructed or placed on the land upon which the Property is located, together with all fixtures (as defined in the Uniform Commercial Code).

L



Lien

Lien, mortgage, bond interest, pledge, security interest, charge, or encumbrance of any kind.

Synonyms

- Liens

P

Property

Multifamily residential property securing the Mortgage Loan and including the land (or Leasehold interest in land), Improvements, and personal property (as defined in the Uniform Commercial Code).

Synonyms

- Properties
- Property's