

Multifamily Seller/Service Guide

Chapter 17A

Originating a Conventional Cash Mortgage under a Forward Commitment



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17A.1 Overview (10/21/25)

This chapter provides the requirements for a Multifamily Conventional Cash Mortgage originated under a Forward Commitment utilizing the prior approval model.

a. Description of Unfunded Forward Commitments (10/21/25)

For purposes of this chapter, an Unfunded Forward Commitment provides permanent financing for new construction or Substantial Rehabilitation of a multifamily Property that qualifies for a Mortgage under the Multifamily Conventional Cash Mortgage Purchase Program as described herein. In this chapter, the term “construction” will include Substantial Rehabilitation.

The Unfunded Forward Commitment is executed by the Seller and Freddie Mac. Freddie Mac commits to locking the interest rate or spread for the permanent Mortgage and the Seller commits to delivering a permanent Mortgage to Freddie Mac when the project is complete and has met each of the Conditions to Conversion (as defined in Section 17A.10). Freddie Mac locks the rate or spread for the permanent Mortgage when the Forward Commitment is accepted by the Seller. The Property must meet the Conditions to Conversion before Freddie Mac purchases the Mortgage.

In an Unfunded Forward Commitment, Freddie Mac does not advance construction funds to the construction lender. See the Unfunded Conventional Forward Commitment [Form](#) and [term sheet](#) for details.

b. Other Guide provisions (10/21/25)

1. The applicable provisions of Chapter 27 apply regarding the LST, Quote, underwriting package, Commitment and Rate Lock.
2. See the following sections in Chapter 17, Originating a Mortgage under the Multifamily Conventional Cash Mortgage Purchase Program, for additional information and requirements:
 - Section 17.1(b): Investment quality
 - Section 17.1(f): Minimum Origination Fee
 - Section 17.1(g): Other requirements
 - Section 17.2: Fixed-rate Mortgage requirements
 - Section 17.3: Floating-Rate Mortgage requirements

c. Fees (10/21/25)

The Seller must pay to Freddie Mac the Application Fee, as set forth in the Forward Commitment (if applicable) and in Section 27.6 (under the standard delivery option). If the Actual Mortgage Amount at Conversion exceeds the Maximum Mortgage Amount in the Forward Commitment, then the Seller must pay to Freddie Mac the additional Application Fee described in the Conversion Acceptance Letter (as defined below) prior to the acceptance of the Conversion Acceptance Letter. The Application Fee is not refundable.



Seller is responsible for all other fees as specified in the Forward Commitment.

17A.2 Eligibility (10/21/25)

a. Eligible Seller/Service Providers (10/21/25)

To be eligible to enter into a Forward Commitment, a Seller/Service Provider must meet the requirements specified in Section 3.15.

b. Types of Mortgages and Mortgage requirements (10/21/25)

Unless otherwise specified below, the requirements for investment quality, types of Mortgages and other Mortgage requirements are the same for all Mortgages, including those purchased by Freddie Mac pursuant to a Forward Commitment.

1. Mortgages eligible for purchase under a Forward Commitment

Freddie Mac may purchase either a fixed rate Mortgage or a Floating Rate Mortgage under a Forward Commitment after Conversion.

2. Mortgages ineligible for purchase under a Forward Commitment

- Mortgages secured by Manufactured Housing Communities (MHC)
- Mortgages secured by multifamily properties owned by Cooperatives (Co-ops)
- Small Balance Loans
- Lease-Up Loans and Value-Add Loans

3. Borrower Ownership of Property

It will be a condition to Rate Lock under a Forward Commitment that the Property is owned by the Borrower or under contract with the purchase date scheduled to occur within 90 days of Rate Lock.

17A.3 Construction Documentation (10/21/25)

The Seller must submit the following for Freddie Mac to review as part of the full underwriting package:

- A pre-construction analysis report, as described in Section 63.3(a)
- A narrative summary, including a property and site description and a summary analysis of the development team's qualifications, that is prepared by the Chief Architect/Engineer, as outlined in Section 63.3(c) and [Exhibit 1.30](#).

17A.4 Forward Commitment Property Inspection (02/24/26)

For an Unfunded Forward Commitment, a complete property inspection must be conducted prior to Conversion, as discussed in Section 17A.9; however, a Forward Commitment Property Inspection is not required prior to the issuance of the Unfunded Forward Commitment unless requested by Freddie Mac in its discretion. If Freddie Mac makes such a request, then see Section 8.16.



17A.5 Construction lender (10/21/25)

The Seller must confirm in its narrative summary that Seller has determined that the construction lender:

- Employs an experienced, fully-staffed construction lending department
- Demonstrates sufficient construction lending experience with successful construction lending on projects of similar size and complexity for the relevant type of property

17A.6 Construction monitoring (10/21/25)

The Seller must retain an Architectural Consultant meeting the requirements of Section 63.2(a) to prepare the construction reports and monitor the progress of the construction.

During the construction phase, the Architectural Consultant is responsible for ensuring that appropriate construction due diligence takes place, including the preparation of construction monitoring reports, which must be provided to the Seller on a regular basis. The Seller must monitor the progress of the construction and notify Freddie Mac of any material issues that could have an adverse effect on the project's scope or quality or could result in a request to extend the Forward Commitment. Freddie Mac expects the Seller to be familiar with the progress of the project. See Section 63.4 for the content of the construction monitoring reports and the duties and responsibilities of the Seller and the Architectural Consultant with respect to the construction monitoring reports.

17A.7 Requests for Freddie Mac approvals during construction phase (10/21/25)

If the Seller receives a request during the construction phase from a third party (such as an agency of the local governing body) for Freddie Mac's authorization or sign-off for items (such as plat recordation) the Seller must advise the third party to send any such documentation directly to the Seller. The Seller's counsel must review all documentation and provide Freddie Mac with a preliminary legal issues memorandum meeting the requirements of Section 6.4. Freddie Mac must receive a written recommendation from the Seller prior to executing or denying any requested authorization or sign-off. The Seller and its counsel must ensure that any such requests comply with all documents previously executed or approved for the transaction, including the approved plans and specifications.

17A.8 Extending the Forward Commitment (10/21/25)

a. General (10/21/25)

1. The Forward Commitment Maturity Date may be extended for one six-month period, upon full and timely satisfaction of each and all of the conditions to extension set forth herein and payment of the extension fee as set forth in the Forward Commitment.
2. Any extension request beyond the first six months will be in Freddie Mac's sole discretion and approval may be based on the satisfaction of any conditions that Freddie Mac determines in its sole discretion, including the payment of an extension fee in an amount to be determined by Freddie Mac.



3. In connection with any extension, the Seller must confirm to Freddie Mac that:
 - The Seller has taken such steps and acts as may be necessary or appropriate to perfect and continue Freddie Mac’s liens upon and security interest in the Property, if applicable; and
 - The Seller has received the prior written consent of the Construction Lender, or to the extent applicable, the Seller has provided to Freddie Mac evidence as to why such consent is not required.
4. The Borrower is responsible for all fees and costs associated with such extensions, including letter of credit fees, legal fees and recording costs, as applicable.

b. Request for extension (10/21/25)

No later than 60 days prior to then-applicable Forward Commitment Maturity Date, the Seller must notify Freddie Mac via email of its request for an extension. The email must specify whether the request is for a first extension or a subsequent extension, and must include the following:

- A synopsis of the deal
- A reason for the extension request
- Projected stabilization timeline

If approved, Freddie Mac will issue an extension approval letter, which will specify the amount of any required fees and any other applicable conditions.

If the Forward Commitment Maturity Date is extended, the term “**Forward Commitment Maturity Date**” will mean the original Forward Commitment Maturity Date, as extended pursuant to the conditions in the extension approval letter.

The term of any letter of credit applicable to the transaction must be extended for the length of the extension plus 60 days. The Seller must provide Freddie Mac with amendments or replacements of the applicable letters of credit, extending their respective stated terms, no later than 30 days after the Forward Commitment Maturity Date and no later than 30 days prior to the expiration of the applicable letter of credit.

17A.9 Complete property inspection (12/16/25)

The Seller must conduct a complete property inspection of the Property before submitting the Conversion Underwriting Package initiating Conversion pursuant to Section 17A.10. The Seller must be satisfied that the finished project has been completed as proposed in a workmanlike manner and that there have been no changes to the Property that would adversely affect its lease-up or ongoing operational costs as originally proposed. The Seller may make this determination by reviewing the final construction reports of the Architectural Consultant, the construction lender, the architect of record and government inspectors; however, the Seller must make its own determination of the Property and the market. For additional information on the complete property inspection, see Section 8.15(b).



Once the architect of record has executed the certification of substantial completion, the Architectural Consultant must submit to the Seller the post-construction analysis report with a final narrative evaluation. The Seller must review this report and ensure that it meets the requirements of Section 63.5(a).

17A.10 Conditions to Conversion (12/16/25)

a. Conversion Underwriting Package and Conversion schedule (12/16/25)

Once the Seller has completed all Conversion due diligence and analysis and all Conditions to Conversion have been satisfied, the Seller must prepare the Conversion Underwriting Package and submit it along with the proposed Conversion schedule to Freddie Mac no later than 60 days prior to the earlier of (i) the proposed date of the Conversion or (ii) the Forward Commitment Maturity Date. The Conversion Underwriting Package must be approved by an underwriting supervisor as described in Section 3.15(d).

Freddie Mac uses the Conversion Underwriting Package to determine whether the Property has satisfied all Conditions to Conversion. Freddie Mac specifies the list of documents that the Seller must include in the Conversion Underwriting Package in [Section 1.31 of Exhibit 1](#). Chapter 55 contains a complete description of Freddie Mac's requirements for each document in an underwriting checklist, including a description of the required content and whether the document must be certified. Chapter 55 also contains instructions for delivering underwriting packages to Freddie Mac.

b. Underwriting criteria for Conversion (12/16/25)

By: (i) submission of a Conversion Underwriting Package and (ii) the Seller's execution of the Forward Commitment, the Seller represents and confirms to Freddie Mac that the Seller will underwrite the Mortgage described in the Forward Commitment and deliver the Mortgage in accordance with the standards set forth in the Guide, as modified by the Forward Commitment. Except as expressly set forth in the Guide or in the Forward Commitment, at Conversion Freddie Mac will apply its then-current Guide requirements with respect to the Mortgage.

c. Time limit for meeting Conditions to Conversion (10/21/25)

Freddie Mac's Forward Commitment and agreement to purchase the Mortgage will terminate and be of no force or effect in the event that the Seller is unable to fully satisfy each and all of the Conditions to Conversion on or before the Forward Commitment Maturity Date or extended Forward Commitment Maturity Date, as applicable.

d. Definitions applicable to Conditions to Conversion (10/21/25)

As used in this Section 17A.10, the following terms have the following meanings:

- “*Acceptable Leases*” means legally valid, binding and enforceable written lease agreements with bona fide residential tenants (excluding employees of the Borrower or any affiliate of the Borrower) providing for initial lease terms of not less than six months and complying with all applicable laws and with the Guide.



- “*Approved Plans*” means the plans, specifications, drawings, sketches, reports, budget and completion schedule and materials specified in the Seller’s full underwriting package for the Forward Commitment submitted to and approved by Freddie Mac prior to the Rate Lock date, together with such changes as have been approved for the Improvements pursuant to the terms of the Forward Commitment.
- “*Event of Insolvency*” means any of the following events with respect to the Borrower or any Guarantor, Designated Entity for Transfers (as identified in the Forward Commitment) or Borrower Principal: (a) any of the foregoing will: (i) voluntarily be adjudicated as bankrupt or insolvent; (ii) seek, consent to or fail to vacate the appointment of a receiver or trustee for itself or for all or any part of its property or assets; (iii) file a petition seeking relief under the United States Bankruptcy Code, 11 U.S.C. Section 101 et seq. or commencing any insolvency or other similar proceedings; (iv) make a general assignment for the benefit of creditors; (v) admit in writing its insolvency, bankruptcy or inability to pay its debts as they come due; (vi) have all or any substantial portion of its assets attached, seized, subjected to a writ or distress warrant, or otherwise levied upon; or (vii) be unable to or fail to pay its debts as they mature; (b) any Governmental Authority will enter an order, judgment or decree appointing a receiver or trustee for the Borrower or any Guarantor, Designated Entity for Transfers or Borrower Principal for all or any part of its property or assets; (c) a petition is filed against the Borrower or any Guarantor, Designated Entity for Transfers or Borrower Principal seeking relief under the United States Bankruptcy Code, 11 U.S.C. Section 101 et seq. or commencing any insolvency or other similar proceedings; or (d) any Borrower or any Guarantor, Designated Entity for Transfers (as identified in the Forward Commitment) or Borrower Principal is put on probation or its activities are restricted in any manner by any Governmental Authority, or becomes subject to any order, judgment, decree, finding or regulatory action that would adversely affect such person’s ability to comply in all respects with the terms and conditions of the Forward Commitment, the Lender Permanent Loan Commitment, the Mortgage, the Construction Loan documents, or any other document, instrument or certificate executed and delivered, or required to be executed and delivered, pursuant thereto.
- “*Governmental Authority*” means the United States of America, any State, district, territory, municipality, foreign state, or other foreign or domestic government, or department, agency, board, commission, or instrumentality of any of the foregoing.
- “*Improvements*” means the buildings, structures and improvements now constructed or at any time in the future constructed or placed upon the land, including any future alterations, replacements and additions.
- “*Lender Permanent Loan Commitment*” means the commitment to be executed by the Seller and the Borrower in respect to the Mortgage, the terms of which are consistent with the terms of the Forward Commitment.

e. Requirements for Conversion (12/16/25)

By the Seller’s acceptance of the Forward Commitment, the Seller has agreed to deliver to Freddie Mac a Mortgage in accordance with the standards set forth in the Purchase and Servicing Documents. In order for Freddie Mac to purchase the Mortgage, the following Conditions to Conversion must have been satisfied on the date of submission of the



Conversion Underwriting Package (see checklist in [Section 1.31 of Exhibit 1](#)) by the Seller to Freddie Mac, and on the date of Conversion:

- 1. Completion of Construction or Rehabilitation.** The Borrower will have completed the construction and/or rehabilitation of the Improvements on the Property (including all amenities, landscaping, signage, parking and the like, except for minor punch list and weather-sensitive items for which sufficient funds have been reserved in a repair escrow) (i) in a good and workmanlike manner and substantially in accordance with the Approved Plans, (ii) on a lien-free basis, (iii) in compliance in all material respects with all applicable legal requirements, including all applicable treaties, conventions, statutes, laws, regulations, ordinances, permits, licenses, variances, certificates, consents, clearances, closures, exemptions, injunctions, judgments, orders, decrees, settlement agreements, decisions, actions or requirements of any Governmental Authority, subdivision requirements, fire and safety laws, the requirements of the Americans with Disabilities Act and, if applicable, the design and construction requirements established pursuant to the Fair Housing Act, as amended, and (iv) in compliance with the environmental and other requirements of the Guide and the Forward Commitment. The Conversion Underwriting Package will contain evidence of such completion as may be requested by Freddie Mac.
- 2. Requirements for Borrower; Guarantor(s); Designated Entity for Transfers; Borrower Principal.** Except in accordance with the requirements set forth below, the identity of the Borrower, and Guarantor(s) will remain as specified in the Forward Commitment. There will be no reduction in the direct or indirect ownership or control of the Borrower by any Designated Entity for Transfers (as identified in the Forward Commitment) or Borrower Principal. There will be no material adverse change in the condition, financial or otherwise, of the Borrower, any partner of the Borrower (if the Borrower is a partnership), any member of the Borrower (if the Borrower is a limited liability company), any Guarantor, Designated Entity for Transfers or Borrower Principal or any affiliate thereof from that which was disclosed to Freddie Mac in the Seller's full underwriting package for the Forward Commitment.
- 3. Minimum Occupancy Requirement.**
 - The Property must have stabilized residential occupancy at 85 percent for the three consecutive months preceding the submission of the Conversion Underwriting Package
 - For each month from and after completion of construction, through and including Conversion, the Borrower will provide to the Seller a current rent roll for that month, each certified as true and correct by the Borrower and the property manager for the Property, and such other information as may be reasonably required by the Seller and/or Freddie Mac to determine the physical occupancy of the Property.
- 4. Debt Coverage Ratio Requirement.** The Property must have a Debt Coverage Ratio (DCR) that is:
 - Greater than or equal to the minimum DCR for the Mortgage product, and
 - Greater than or equal to the priced DCR
- 5. Actual Mortgage Amount.**



- a. At Conversion, Freddie Mac will have determined the amount of the Mortgage, in its sole discretion, using Freddie Mac's underwriting standards and criteria as of the date of the Conversion ("**Actual Mortgage Amount**"). Unless waived in writing by Freddie Mac, which waiver will be made by Freddie Mac in its sole discretion, the Actual Mortgage Amount will not exceed the Maximum Mortgage Amount and will not be less than the Minimum Mortgage Amount at Conversion, each as set forth in the Confirmation Sheet of the Forward Commitment.
- b. If the Actual Mortgage Amount is less than the Maximum Mortgage Amount but greater than the Minimum Mortgage Amount at Conversion and Freddie Mac has agreed to purchase the Mortgage, the Borrower must demonstrate to Freddie Mac's satisfaction, prior to Conversion, that the Borrower has secured a source of funds acceptable to Freddie Mac ("Additional Source of Funds") to cover the difference between the Maximum Mortgage Amount and the Actual Mortgage Amount ("Loan Differential"). If the Actual Mortgage Amount is less than the Minimum Mortgage Amount at Conversion and Freddie Mac has agreed to purchase the Mortgage, the Borrower and/or Breakage Obligor must pay the Modified Breakage Fee (as defined in the Forward Commitment) and the Borrower must show an Additional Source of Funds; provided that in the event there is a nondelivery, the Borrower and/or Breakage Obligor must pay the Breakage Fee described in the Forward Commitment.
- c. Reserved.
- d. Additional Actual Mortgage Amount
 1. Upon completion and lease up of the Property, and prior to the origination of the Mortgage, if the performance of the Property exceeds the pro-forma rents, occupancy and other criteria used by Freddie Mac to underwrite the Mortgage prior to the issuance of the Forward Commitment, the Seller may request the Actual Mortgage Amount be greater than the Maximum Mortgage Amount by an amount that does not exceed the Additional Actual Mortgage Amount Percentage listed in the Confirmation Sheet (the "**Additional Actual Mortgage Amount Percentage**") of the Maximum Mortgage Amount (any such increase referred to as the "**Additional Actual Mortgage Amount**").
 2. In connection with a request for Additional Actual Mortgage Amount, the Seller will include in the Conversion Underwriting Package (i) a calculation of the Actual Mortgage Amount supporting the requested Additional Actual Mortgage Amount and (ii) a new Appraisal which complies with the requirements of Chapter 60, and which Appraisal supports the requested Additional Actual Mortgage Amount.
 3. Freddie Mac's approval of any Additional Actual Mortgage Amount in excess of the Maximum Mortgage Amount will be made in Freddie Mac's own discretion based on its underwriting criteria at the time of such request.
 4. To the extent the requested Additional Actual Mortgage Amount is approved by Freddie Mac, (i) the interest rate on such Additional Actual Mortgage Amount will be equal to the Mortgage interest rate determined at Rate Lock and specified in the executed and delivered Confirmation Sheet and (ii) the Conversion Acceptance Letter delivered by Freddie Mac pursuant to Section 17A.10 (the



“**Conversion Acceptance Letter**”) will also set forth: (a) the Additional Actual Mortgage Amount so approved, (b) any additional Application Fee that may be due as a result of the Additional Actual Mortgage Amount, and (c) any other updated terms and conditions related to the Additional Actual Mortgage Amount or otherwise with respect to the Mortgage.

6. **Equity Contributions; Other Funds.** The Conversion Underwriting Package will contain:
 - a. Confirmation that the Borrower: (i) has received or will receive, fully and timely, all equity contributions as required by the Borrower’s operating documents to be made to the Borrower as of the date of Conversion, and has properly applied such equity contributions, proceeds, and other cash to the Property to the extent received, and (ii) has funded or will fund, fully and timely, all cash required to be invested in the Property; and
 - b. Reserved.
7. **Title and Survey.** The Conversion Underwriting Package will contain: (i) an update to the analysis of and recommendation as to the exceptions to title from the Seller and the Seller’s counsel and (ii) an ALTA “as-built” survey of the completed construction and/or rehabilitation of the Improvements on the Property, prepared by a licensed surveyor, certified to the Seller, Freddie Mac and the title insurance company and which will otherwise conform with Freddie Mac’s then-current survey requirements.
8. **Appraisal.** If required by the Guide, the Forward Commitment or the Conversion Acceptance Letter, the Seller will obtain, at the Borrower’s sole expense a new Appraisal of the Property that complies with the requirements of Chapter 60.
9. **Updated Environmental Report and Post-Construction Analysis Report.** Freddie Mac will have received for review an updated Phase I environmental report, if required pursuant to the Forward Commitment and/or the Guide, and post-construction analysis report, which will include, among other things, an on-site inspection and identification of any Deferred Maintenance or Life Safety Hazards issues. Such documentation must be in form and substance acceptable to Freddie Mac.
10. **Updated Legal Analyses.** The Seller’s counsel will have prepared updated legal analyses on the then-current forms acceptable to Freddie Mac and will have emailed those updated analyses to the Freddie Mac in-house counsel assigned to the specific transaction.
11. **Other Real Estate Due Diligence.** In addition to those items required by this Section 17A.9, review of any other agreements, documents, instruments, certificates, reports, papers and matters which are subject to Freddie Mac’s review and approval under the terms of the Forward Commitment and the Guide.
12. **Absence of Change in Law.** There will be no: (i) change in federal or State law, (ii) pending or proposed legislation, (iii) decision or pending decision of any court or administrative body, (iv) ruling or regulation (including any final, temporary or proposed federal regulation), (v) official pronouncement, or (vi) other action or event that, in Freddie Mac’s sole judgment, materially adversely affects or may materially adversely



affect, directly or indirectly, the Property, the Mortgage, or the other transactions to be effected pursuant to the Forward Commitment or Freddie Mac's ability to purchase the Mortgage.

- 13. Compliance with Regulatory Agreement and Other Agreements.** The Conversion Underwriting Package will also contain any regulatory agreements and other material agreements affecting the Property as well as evidence, satisfactory to Freddie Mac, of the Property's compliance with the terms of each. The Seller's counsel will provide Freddie Mac with an analysis for each such agreement affecting the Property.
- 14. Absence of Default.** There will be no uncured default, or the continuation of any event that may with the passage of time cause a default, under: (a) any of the Purchase and Servicing Documents, (b) the Mortgage Documents, (c) any approved Subordinate Financing or (d) any organizational document of the Borrower. Further, an Event of Insolvency will not have occurred at any time.
- 15. Truth of Representations and Warranties.** There will be no material error or misstatement in, or omission from, any representation or warranty made by the Seller in the full underwriting package for the Forward Commitment or the Conversion Underwriting Package or by the Borrower in the Mortgage Documents.
- 16. Payment of Fees and Expenses.** All fees and expenses required by the Forward Commitment and the Guide will be paid in a timely manner and in accordance with the requirements of the Forward Commitment and the Guide.
- 17. Release of Construction Lien.** The release of the Mortgage and security interest of the construction lender must have been executed and recorded or delivered in escrow for recording under arrangements satisfactory to Freddie Mac.
- 18. Gap or Bridge Financing Repaid.** The Conversion Underwriting Package will contain assurances and evidence that any gap or bridge financing provided to the Borrower has been or will be, as of the date of Conversion, paid in full and all liens imposed on the Borrower or on the Property in connection with such financing have been or will be released as of the date of Conversion.
- 19. No Material Legal Action.** There must not have been any material litigation, investigation, proceeding, decree, judgment or settlement brought against or otherwise affecting the Property, the Borrower, any Borrower Principal, any partner or member (as applicable) of the Borrower, any managing officer of the Borrower, the Guarantor, or any affiliate of the foregoing, or the assets or properties thereof, from that which existed on the date of the Forward Commitment.
- 20. Insurance.** All insurance required by Freddie Mac will be in place on or before Conversion, in form and substance acceptable to Freddie Mac.

f. Other Conversion criteria (12/16/25)

Any special terms or additional Conditions to Conversion specified in the Forward Commitment must be satisfied. See Section 17A.10 below and the Conversion Underwriting Package in [Section 1.31 of Exhibit 1](#) for additional information about the items that must be submitted as part of the Conversion Underwriting Package.



17A.11 Conversion (10/21/25)

a. Conversion Acceptance Letter (10/21/25)

After Freddie Mac completes its underwriting, Freddie Mac will notify the Seller of its approval or rejection of the Conversion. Freddie Mac's approval or rejection is subject to Freddie Mac's determination that each of the Conditions to Conversion have been and remain satisfied or have been duly waived by Freddie Mac, in its sole discretion. If Freddie Mac approves the Conversion, Freddie Mac will execute and deliver to the Seller a Conversion Acceptance Letter specifying the Actual Mortgage Amount (including any Additional Actual Mortgage Amount) and any other terms and conditions of Conversion or as required by the Commitment or Guide. The Exhibits of the Forward Commitment will also be amended and restated to conform to the then-current Exhibits of the Freddie Mac commitment form in standard use by Freddie Mac at the time of Conversion.

To the extent applicable, any reference to the Forward Commitment after execution of any amendments and the Conversion Acceptance Letter will be deemed to include such amendments and the Conversion Acceptance Letter.

After Freddie Mac has executed the Conversion Acceptance Letter, the Seller must accept it, countersign it, upload it to DMS and notify the Freddie Mac Underwriter of the expected Conversion date. Upon Conversion, the Seller must notify Freddie Mac that the Conversion has occurred by providing written confirmation of the Conversion via email and DMS.

b. Loan Documents to be used at Conversion (10/21/25)

Any references in the Guide or in the Forward Commitment regarding the Loan Agreement, Security Instrument or any other documents applicable to the Mortgage will mean the then-current documents either located at mf.freddiemac.com or in standard use by Freddie Mac at the time of Conversion. Any modifications to the Loan Documents attached to the Forward Commitment will be included in the Conversion Acceptance Letter (see 17A.10(d)) and, if applicable, updated to conform to the then-current Freddie Mac Loan Documents.

c. Release of Conversion Assurance Documents (10/21/25)

1. If the Seller requests that the Conversion Assurance Mortgage and Conversion Assurance Note be released at Conversion, then the Seller must send notification to Freddie Mac via email no later than 30 days prior to Conversion. The notification must contain the following information:
 - The name, address, telephone number and email address of the Title Company to be used for originating the Mortgage
 - A request for the cancellation and return of the Conversion Assurance Note, if applicable
 - A request for the release of the Conversion Assurance Mortgage along with a draft of the termination or satisfaction of Conversion Assurance Mortgage enforceable in the Property's jurisdiction and supplied by Seller's counsel, if applicable



2. Freddie Mac will coordinate with the Seller the delivery of the following collateral documents to the Title Company:
 - Conversion Assurance Note marked paid and cancelled, if applicable
 - Release of Conversion Assurance Mortgage, if applicable
 - Any other escrow documents held by Freddie Mac
3. Freddie Mac will authorize the release of the documents delivered by Freddie Mac to the escrow agent upon
 - The Seller's delivery to the escrow agent for recordation of the assignment of the Mortgage, assigning the Seller's interest to Freddie Mac,
 - The escrow agent's confirmation that it has in its possession the lender's final policy of title insurance to be delivered to Freddie Mac with the Final Delivery Package, which title policy meets the requirements of the Guide and insures the first lien priority of the Mortgage, and
 - The Seller's certification that the Seller has all of the items required by the Guide for final delivery of the Mortgage

17A.12 Final delivery; funding (10/21/25)

The provisions of Chapter 32 apply with respect to final delivery and funding.

17A.13 Late delivery; nondelivery (10/21/25)

a. Late delivery (10/21/25)

The provisions of Section 27.26(a) apply.

b. Remedies for late delivery (10/21/25)

The provisions of Section 27.26(b) apply.

c. Nondelivery (10/21/25)

The provisions of Section 27.24(a) apply, except that for purposes of Section 27.24(a)(3), the determination will be made after the Forward Commitment becomes a Purchase Contract as described in the Forward Commitment.

d. Remedies for nondelivery (10/21/25)

Except as set forth in the Forward Commitment, the provisions of Section 27.24(c) apply. Additionally, Freddie Mac may charge any additional Breakage Fee as required by the Forward Commitment and take whatever action is necessary to collect the Conversion Assurance Fee (as defined in the Forward Commitment).