

Multifamily Seller/Servicer Guide

Chapter 55

Documentation and Deliveries

55.1 Use of Chapter 55 (06/29/17)

Chapter 55 is to be used in the preparation of an underwriting package for cash and bond credit enhancement Mortgages, and in the preparation of documentation to be submitted to Freddie Mac in connection with a Transfer of Ownership, as indicated in Chapter 41.

a. Preparing an underwriting package (06/27/19)

At the Seller's expense, the Seller must deliver the documents to Freddie Mac and remit any required fees to Freddie Mac by wire transfer, subject to Freddie Mac's approval.

The Seller must obtain wire transfer instructions from

- *Multifamily TAH Production* or the *Multifamily TAH Underwriter*, for TAH Seller/Servicers, or
- The *Applicable Freddie Mac Multifamily Regional Office*, for all other Seller/Servicers.

The Seller must send the wire transfer to the attention of *Multifamily Cash Management*. The wire transfer must reference the Property name, the Freddie Mac contact person in Production or Underwriting, and the Freddie Mac loan number.

With respect to each delivery

- The Seller must deliver the documents simultaneously.
- The Seller may not make any changes to forms prescribed by Freddie Mac without prior written authorization from Freddie Mac.

If the delivery is incomplete, if the documents have not been properly prepared, or if the documents do not, or the delivery does not, otherwise conform to Freddie Mac requirements, Freddie Mac cannot process the package.

b. Resubmission of an underwriting package (05/11/10)

The Seller may not resubmit an application package for a Mortgage for at least six months after the date of

- Freddie Mac's notice of rejection, if Freddie Mac declined to issue a Letter of Commitment for the Mortgage or failed to accept an early rate-lock application following review of the full application package, or
- Freddie Mac's Letter of Commitment, if the Seller failed to accept the Letter of Commitment within the time period specified, or

- Freddie Mac's acceptance of the early rate-lock application, if the Seller failed to sign and return Exhibit A of the early rate-lock application within the time required.

c. Preparing documentation required for a Transfer of Ownership (06/29/19)

Instructions for the preparation of documentation for a Transfer of Ownership can be found in Chapter 41.

55.2 Requirements for documents contained in the underwriting package or documents relating to a Transfer of Ownership (12/15/20)

Document	Requirements
<p>501(c)(3) Due Diligence Checklist</p>	<p>For a Mortgage originated under the Multifamily Housing Bond Credit Enhancement Program, the Seller must provide Freddie Mac with a 501(c)(3) Due Diligence Checklist if the bonds for which Freddie Mac is providing the bond credit enhancement are 501(c)(3) bonds.</p>
<p>Access easement and Essential Facilities and/or Recreational Facilities easement documentation</p>	<p>The Seller must provide Freddie Mac with the following documentation:</p> <ul style="list-style-type: none"> • If the Property shares primary ingress and/or egress with adjacent or neighboring properties (including another phase of a phased development) via an easement or private road, documentation in accordance with Sections 8.6 and 8.8, as well as a (i) preliminary legal issues memorandum (PLIM) that either (x) confirms the access complies with the requirements set forth in Section 8.8, or (z) a legal analysis of what requirements are not satisfied and the Seller's counsel's recommendations for acceptability, (ii) a copy of the survey if required for the Mortgage and photographs showing the location of the access easement and signage, if applicable, and (iii) an opinion from a land use attorney if applicable, or • If the Essential Facilities and/or Recreational Facilities are located off-site (including another phase of a phased development) and are not under the exclusive control of the owner, documentation in accordance with Sections 8.6 and 8.9, a PLIM that either (i) confirms the Borrower's access to and use of the Essential Facilities and/or Recreational Facilities and amenities comply with the requirements set forth in Section 8.9; or (ii) a legal analysis of what requirements are not satisfied and the Seller's counsel's recommendations for acceptability. • See also "confirmation of or a request for approval of shared facilities or access".

Document	Requirements
<p>Application fee (for Bond Credit Enhancement Mortgages)</p>	<p>For Bond Credit Enhancement Mortgages, the Seller must remit the applicable application fee by wire transfer. The Seller must obtain wire transfer instructions from <i>Multifamily TAH Production</i> or the <i>Multifamily TAH Underwriter</i>, for TAH Seller/Serviceers.</p> <p>The Seller must send the wire transfer to the attention of <i>Multifamily Cash Management</i>. The wire transfer must reference the Property name, the Freddie Mac contact person and the Freddie Mac loan number. The application fee amount is found in the Commitment.</p>
<p>Appraisal</p>	<p>The Seller must provide Freddie Mac with a full Appraisal of the Property that meets the requirements of Chapter 60. The Property value determined in the Appraisal must be no less than the Property value determined by Freddie Mac and the report must meet all Freddie Mac requirements and underwriting conditions.</p> <p><u>Seniors Housing Mortgages</u> For a Seniors Housing Mortgage, the Appraisal must meet the requirements of Chapter 60 and Section 21.16.</p> <p><u>Forward Commitments</u> The Seller must provide an Appraisal meeting the requirements of Chapter 60. See Section 60.30 for requirements specific to Forward Commitments.</p> <p><u>Mod Rehab</u> The Seller must provide an Appraisal meeting the requirements of Chapter 60. See Section 60.28 for requirements specific to Mod Rehab Mortgages.</p> <p><u>Preservation Rehabilitation</u> The Seller must provide an Appraisal meeting the requirements of Chapter 60. See Section 60.28 for requirements specific to Preservation Rehabilitation Mortgages.</p> <p><u>Mortgage with Green Up® or Green Up Plus® loan option</u> The Seller must provide an Appraisal meeting the requirements of Chapter 60. See Section 60.29 for requirements specific to Mortgages with the Green Up or Green Up Plus loan option.</p>
<p>Blanket Certification for property financial</p>	<p>The property financial statements and the rent rolls must be certified through a Blanket Certification, which must bear the</p>

Document	Requirements
<p>statements and rent rolls</p>	<p>following statement, executed by an individual who is authorized to legally bind the Borrower:</p> <p>I hereby certify that the property financial statements and rent rolls are complete and accurate representations of the operating history of the [Property name] as of the date of the statements, and I am duly authorized to bind the Borrower to this certification.”</p> <p>Historical financial statement due dates: _____</p> <p>Current financial statement due dates: _____</p> <p>Borrower’s budget financial statement dates: _____</p> <p>Rent roll dates: _____</p> <p>Borrower: _____</p> <p>[Signature]_____</p> <p>[Printed Name and Title of Signatory]</p> <p>The Blanket Certification is not required until due diligence is complete but it must be submitted prior to rate-lock.</p>
<p>Bond distribution list</p>	<p>For a Mortgage originated under the Multifamily Housing Bond Credit Enhancement Program, the Seller must provide Freddie Mac <i>Multifamily TAH Production</i> and the <i>Multifamily TAH Underwriter</i> with a list of participants in the bond transaction, including their telephone numbers and e-mail addresses.</p>
<p>Borrower and Borrower Principal Certificate, Form 1115</p>	<p>If any Borrower or Required Borrower Principal is organized as of the date of submission of the applicable package, the Seller must provide Freddie Mac with the Form 1115, Borrower and Borrower Principal Certificate, executed by each Borrower or Required Borrower Principal.</p> <p>Form 1115 requests certification of the following information from Borrowers and Required Borrower Principals:</p> <ol style="list-style-type: none"> 1. Current financial condition

Document	Requirements
	<p>2. Past mortgage payment and default experience</p> <p>3. History of criminal and/or administrative proceedings</p> <p>4. List of all contingent liabilities, including a description and amount</p> <p>Form 1115 must not be dated more than 60 days prior to the date of submission of the applicable underwriting package.</p> <p>For Borrowers or Required Borrower Principals organized after the date of submission of the underwriting package, the Certificate and Schedule A or Schedule B (as applicable) must be provided as soon as possible after such entity’s formation.</p>
Borrower’s budgeted property financial statements	See “property financial statements”.
Breakdown of construction costs	<p>For a Property that was built by the Borrower less than one year before the submission of the underwriting package, the Seller must submit to Freddie Mac a breakdown of construction costs,</p> <p>For current or planned construction, see “capital improvement documentation”.</p>
Building code violation documentation	<p>The Seller must provide building code violation documentation in one of two ways:</p> <ul style="list-style-type: none"> • In the form of a letter or other documentation from the local building code enforcement office which must verify that: <ul style="list-style-type: none"> ○ Any prior building code violations have been corrected ○ The Property is currently in compliance with all applicable building codes • Verification of the above as part of the zoning report or Form 1108, Physical Risk Report for a Mortgage that meets all of the following conditions: <ul style="list-style-type: none"> ○ The Mortgage has an initial principal balance of \$20 million or less, or the Mortgage is a Supplemental Mortgage and

Document	Requirements
	<p>the combined initial principal balance of the Supplemental Mortgage and the unpaid principal balances of any senior Mortgages encumbering the Property are \$25 million or less in the aggregate</p> <ul style="list-style-type: none"> ○ The Mortgage is not a Moderate Rehabilitation Mortgage, a Lease-up Mortgage, a Value-add Mortgage or a Forward Commitment Mortgage <p>If the local building code enforcement office will not provide such a letter, Freddie Mac will accept a certified verification from the Borrower.</p>
<p>Calculation of prepayment premium</p>	<p>For a Mortgage being used to refinance an existing Freddie Mac Mortgage, the Seller must provide to Freddie Mac a calculation of the prepayment premium payable with respect to the Mortgage being refinanced.</p>
<p>Capital improvement documentation</p>	<p>The Seller must submit:</p> <ul style="list-style-type: none"> • For current or planned construction on the Property, a summary of all current or planned construction and the projected costs of the construction • For any major past renovations, a summary of these renovations and documentation concerning the costs • For a Mortgage whose original principal balance is greater than \$100 million without any construction or major renovation planned for the Property, a statement that no construction or major renovation is planned during the term of the Mortgage.
<p>Certification — Organizational Chart, Form 1114</p>	<p>A certification that the Organizational Chart is accurate and all owners with a 25 percent or more interest and all Non-U.S. Equity Owners and Control are shown on the organizational chart. If prior to the loan origination or Transfer of Interests the Organizational Chart becomes inaccurate, the Seller must submit a revised Organizational Chart along with a new Form 1114, Certification — Organizational Chart.</p>
<p>Certificate of Good Standing from the Construction Lender</p>	<p>A letter or other documentation certifying that the Borrower is in good standing under the terms of the construction loan.</p>
<p>Certification Regarding Payment of Fees and</p>	<p>For a Mortgage originated under the Multifamily Housing Bond Credit Enhancement Program, the Seller must provide a copy of the Certification Regarding Payment of Fees and Expenses of Freddie Mac’s Outside Legal Counsel, available via FreddieMac.com, in</p>

Document	Requirements
Expenses of Freddie Mac’s Outside Counsel	accordance with Section 28.8(d).
Certified cost accounting	The Seller must provide to Freddie Mac a certified cost accounting of total project costs, including hard and soft costs.
Certified Organizational Chart	An Organizational Chart that is certified using Certification – Organizational Chart, Form 1114.
Commercial lease documentation	<p>The Seller must provide to Freddie Mac complete copies (with all amendments) of all commercial leases for the Property.</p> <p>To the extent requested by Freddie Mac, the Seller must provide separate income and expense analyses for the residential and commercial lease portions of the Property’s income.</p> <p>If income from a single commercial lease is five percent or more of the gross potential rent of the Property, or if otherwise requested by Freddie Mac in connection with a certain commercial lease, the Seller must provide a completed Commercial Lease Analysis for such lease. The Commercial Lease Analysis form is available on FreddieMac.com.</p> <p>See Section 8.11 for requirements regarding commercial lease SNDAs, subordinations, and estoppels; see Section 8.2(b) for commercial use requirements.</p>
Complete Borrower/Borrower Principal Due Diligence Package	A Complete Borrower/Borrower Principal Due Diligence Package consists of Form 1115, Borrower and Borrower Principal Certificate; Form 1116, Real Estate Schedule; certified current financial statements for the Borrower and Required Borrower Principals and a credit report for required Borrower Principals that are individuals. It is submitted as part of the underwriting package and/or prescreen package to Freddie Mac.
Condominium Analysis	<p>If the Property is subject to a condominium regime, the Seller must submit the following information to Freddie Mac:</p> <ul style="list-style-type: none"> • The total number of units subject to the Condominium regime • The number of Condominium Units the Borrower owns

Document	Requirements
	<ul style="list-style-type: none"> • The percentage of Borrower’s undivided interest in the common elements of the Condominium • If the Borrower does not own 100 percent of the real property that is subject to the Condominium regime, whether the Property is <ul style="list-style-type: none"> ○ A “Partial Condo”, where the Property consists of all of the residential units in the Condominium but there are commercial, office, parking or other Condominium Units that will not be part of the collateral for the Mortgage ○ A “Fractured Condo”, where the Property does not consist of all of the residential units in the Condominium and some of the residential Condominium Units have been sold to third party purchasers • The number of members that comprise the board of directors of the Condominium association (“Condominium Association”) and the number of members of the board of directors of the Condominium Association that the Borrower controls <p>This information may be included in the Mortgage Transaction Narrative Analysis.</p>
<p>Confirmation of compliance or a request for approval of shared facilities or access</p>	<p>If any on-site or off-site facilities or access are shared, the Seller must submit in a preliminary legal issues memorandum (PLIM) either (i) a confirmation that any such sharing arrangement meets the requirements of Sections 8.6, 8.8 and 8.9, or (ii) a request for Freddie Mac approval of the requirements set forth in Section 8.8 or 8.9 that are not satisfied, including the Seller's counsel's recommendations for acceptability.</p>
<p>Construction completion documents</p>	<p>The Seller must include the following documents in the Forward Commitment underwriting package for Conversion:</p> <ul style="list-style-type: none"> • Post-construction analysis report <ul style="list-style-type: none"> ○ Architect’s certificate of substantial completion ○ Final punch list from the architect of record ○ Final payment certification

Document	Requirements
	<ul style="list-style-type: none"> ○ Final lien waiver from the general contractor ○ Release of payment and performance bonds ○ Release of bonds required by any governmental authority ○ Final certificate(s) of occupancy ○ Reserve analysis, if not completed previously or if revisions to the previously completed analysis are recommended ○ A summary of all change orders and an analysis of all material changes, as defined in Section 63.4(c) ● A summary analysis, prepared by the Seller/Service's Chief Architect/Engineer, indicating that the finished project has been completed, lien-free and in accordance with all other applicable requirements, substantially in accordance with the plans and specifications reviewed at the issuance of the Forward Commitment ● Environmental assessment report ● A certified cost accounting of total project costs, including hard and soft costs <p>See Section 63.5 for additional information.</p>
<p>Construction documentation for Forward Commitments with expedited review</p>	<p>For an expedited review by Freddie Mac, the Seller must provide</p> <ul style="list-style-type: none"> ● The final pre-construction analysis report described in Section 63.3(a) ● A narrative summary, prepared by the Seller's Chief Architect/Engineer, with the following content: <ul style="list-style-type: none"> ○ Property and site description, including <ul style="list-style-type: none"> ● Adequacy of budget and schedule

Document	Requirements
	<ul style="list-style-type: none"> • Environmental issues/resolution • Seismic issues/resolution • Other outstanding issues/resolution • If a substantial rehabilitation of the Mortgaged Property, statements regarding the adequacy of the scope to address any deficiencies identified in the property condition report and Phase I Report <ul style="list-style-type: none"> ○ A summary analysis of the development team’s qualifications, including the capability of the architect, contractor and developer to execute the plan <p>See Section 19A.1(d) or Section 28A.1(e) for construction documentation that must be delivered via the Document Management System (DMS) after the date of the Forward Commitment for Forward Commitments where the Seller/Service is utilizing the expedited review option.</p>
<p>Construction documentation for Forward Commitments with standard review</p>	<p>In addition to the construction documentation required for the expedited review, the Seller/Service must provide the following documents for a standard review:</p> <ul style="list-style-type: none"> • Final pre-construction analysis report described in Section 63.3(a) • Final plans (hard copies in 11x17 inch format) • Specifications • Construction budget • Construction contract(s) • Construction schedule • Building permits and other governmental approvals • A narrative summary, prepared by the Seller’s Chief Architect/Engineer, with the following content

Document	Requirements
	<ul style="list-style-type: none"> ○ Property and site description, including <ul style="list-style-type: none"> ● Adequacy of budget and schedule ● Environmental issues/resolution ● Seismic issues/resolution ● Other outstanding issues/resolution ● If a substantial rehabilitation of the Mortgaged Property, statements regarding the adequacy of the scope to address any deficiencies identified in the property condition report and Phase I Report ○ A summary analysis of the development team’s qualifications, including the capability of the architect, contractor and developer to execute the plan
Cooperative analysis	<p>If the Property is owned by a cooperative housing corporation, the Seller must submit to Freddie Mac a cooperative analysis that includes</p> <ol style="list-style-type: none"> 1. The following information as it pertains to the sellout of the cooperative: <ul style="list-style-type: none"> ● Date property converted to cooperative ● Percentage of units sold to owner-occupants (including sublets) ● Percentage of units sold to owner-occupants that are sublet ● Percentage of units sold to non-sponsor owned investors ● Percentage of units held by sponsor or sponsor-related entities 2. Current financial statements for any one owner that holds 20 percent or more of the Cooperative’s shares. If an owner of 20 percent or more is a corporation, partnership or other legal entity, the Seller must deliver financial statements for each officer, general partner or trust beneficiary, including sponsors and beneficiaries that hold unsold shares. All such financial statements must be certified or audited.

Document	Requirements
	<ol style="list-style-type: none"> 3. Maintenance fee delinquency report for the previous 12 months showing the number of units delinquent for each month and the corresponding dollar value 4. Analysis of the sponsor's current cash flow from unsold units (rent roll detailing rent, maintenance for each unit, and debt service, if applicable) 5. Analysis of the sponsor's ability to support negative cash flow from unsold units, if applicable 6. Analysis of pro forma Income and Expense Statements showing the economic results if the Property was operated as a rental and as a cooperative 7. Analysis of the estimated value of the Property as a cooperative (co-op) and as a rental project 8. Information on unit sales over the last 12 months including date of sale, unit number, unit type and sale price. If sales over the last 12 months do not include all unit types, provide information on earlier sales so that all unit types are represented 9. Analysis of maintenance costs compared to market rents for each unit type
<p>Credit reports</p>	<p>The Seller must provide to Freddie Mac a current credit report on each Borrower and each Required Borrower Principal that is an individual. A credit report is not required for entities or foreign sponsors with no Social Security number. The subject of each report must have authorized the Seller to obtain the report and the report must</p> <ol style="list-style-type: none"> 1. Be reviewed by the Seller 2. Be issued by an independent credit reporting agency acceptable to Freddie Mac 3. Be dated within 60 days before delivery to Freddie Mac 4. Verify debts listed on the financial statement submitted with the full underwriting package, including terms, balances and ratings 5. List any other debts

Document	Requirements
	List all legal actions that involve the Borrower or Borrower Principal and are disclosed by a search of public records
Current property financial statements	See “property financial statements”.
Delegated property inspection letter	See “property inspection documentation”.
Document analysis by Seller’s counsel	The Seller must provide an analysis by Seller’s counsel of certain legal documents affecting the Property, as described in Section 6.7.
Effective annual rental rate	For a Mortgage whose original principal balance is greater than \$100 million, the Seller must provide the effective annual rental rate per unit, as determined by gross potential rent less concessions, for each of the most recent three years, or for each year since the completion of construction, whichever is less.
Environmental report and alternatives	<p>The Seller must provide to Freddie Mac an environmental report meeting the requirements of Chapter 61.</p> <p><u>Supplemental Mortgages</u> An environmental report is required under this product when</p> <ul style="list-style-type: none"> • The proposed Mortgage is a split Mortgage, or • An acceptable environmental report was not completed upon origination of the first Mortgage, or • An environmental issue was identified subsequent to the origination of the first Mortgage, or • Freddie Mac, in its sole discretion, determines that an environmental report is needed. <p><u>For each Supplemental Mortgage for which Freddie Mac does not require an environmental report, the Seller must</u></p> <ul style="list-style-type: none"> • Retain a qualified environmental consultant in accordance with Section 61.18 to perform a neighborhood hazardous waste activity review in compliance with Section 61.13, and submit the environmental consultant's analysis and conclusions, and • Confirm that the Borrower has complied with any conditions or requirements in the first Mortgage regarding an identified

Document	Requirements
	<p>environmental hazard or Mold and has completed any required work.</p> <p>For TAH Mortgages under a Forward Commitment See Section 61.1(b)(1) for the requirements applicable to an environmental report prepared by a consultant retained or directed by the Borrower.</p>
EPA Energy Star Score	A score obtained using the U.S. Environmental Protection Agency’s (EPA’s) Portfolio Manager®, used by Borrowers seeking Green Advantage benefits.
Equity Conflict of Interest statement	If an Equity Conflict of Interest exists, as defined in Section 2.25, the Seller must disclose the nature and extent of the conflict in writing to Freddie Mac.
Evidence of Insurance	<p>The Seller must submit the following to Freddie Mac to verify that the Property has, or will have as of the Freddie Mac Funding Date, adequate property damage and liability insurance as required by the Purchase and Servicing Documents:</p> <ul style="list-style-type: none"> • Fully completed Form 1133, Seller/Service Certification of Insurance Coverage via the Insurance Compliance Tool (ICT) • The documents listed in Sections 31.20(a) and 31.20(b), as applicable <p>For an underwriting package pertaining to the refinance of an existing mortgage not owned by Freddie Mac, prior to the Origination Date of the Mortgage, the mortgagee or mortgage holders clause and additional insured clause must be changed to reflect the requirements of the Guide.</p> <p>If the Borrower's insurance will not meet the Freddie Mac insurance requirements, the Seller/Service must request a waiver prior to the Origination Date from the</p> <ul style="list-style-type: none"> • <i>Multifamily TAH Underwriter</i>, for Targeted Affordable Housing Mortgages • <i>Applicable Freddie Mac Multifamily Regional Office</i>, for all other Mortgages.
Evidence of Tax Abatement	For Properties benefiting from real estate tax abatements, including payment in lieu of taxes (PILOT), the Seller must provide documentation from the taxing authority or the governing body

Document	Requirements
	<p>confirming:</p> <ul style="list-style-type: none"> • That the Property or the Borrower, as applicable, has qualified for the Tax Abatement • The amount of annual tax to be paid, if any • The term of the Tax Abatement • Any other requirements of the Tax Abatement <p>See Section I of the Tax Abatement/Exemption/PILOT Questionnaire for additional details concerning the documentation to be provided in the underwriting package for all tax abatements.</p> <p>If the tax abatement program has not previously been approved by Freddie Mac, or has materially changed since the tax abatement was approved by Freddie Mac, the Seller/Servicer must include the items specified in Section II of the Tax Abatement/Exemption/PILOT Questionnaire in the underwriting package.</p> <p>The Tax Abatement/Exemption/PILOT Questionnaire is found on the legal document pages of FreddieMac.com.</p>
Exclusionary List	See Section 2.18.
Financial statements of Borrower and Required Borrower Principals – certified	<p>The Seller is required to submit to Freddie Mac financial statements from the Borrower and any Required Borrower Principal that is not a newly formed entity.</p> <p>Each financial statement must include the following:</p> <ul style="list-style-type: none"> • Current certified financial statements (dated within six months of delivery of the full underwriting package), including a balance sheet, for the Borrower and each Required Borrower Principal • Federal income tax returns for the Borrower for the most recent taxable year, if requested <p>NOTE: Freddie Mac may require additional financial statements or federal income tax returns for the three most recent taxable years</p>

Document	Requirements
	<p>from the Borrower and each Required Borrower Principal in Freddie Mac's sole discretion.</p> <p>If the financial statements are audited, the financial statements must include a statement of changes in financial position and all notes. If audited financial statements are not available, the party whose finances are summarized by the statement must certify that the statements are complete and accurate.</p> <p>In addition, the Seller must provide a list of:</p> <ul style="list-style-type: none"> • All other non-real estate assets, including the market value of each asset, the basis for calculating the value and any note receivables from related entities • All liabilities and contingent liabilities, including debts under lines or letters of credit, personal guaranties, obligations to limited partnerships and other obligations payable in the future, including the amount and duration of the obligation • Any factors that may materially affect the Borrower or Required Borrower Principal's financial position immediately or during the term of the Mortgage <p>The Seller must review the financial statements. Financial statements for which Freddie Mac requires certification must bear the following statement, executed by an individual who is authorized to legally bind the Borrower or Required Borrower Principal:</p> <p style="padding-left: 40px;">I hereby certify that these financial statements are complete and accurate representations of the financial condition of [Name of Individual or Entity] as of the date of the statements [if financial statement is for an entity: and I am duly authorized to bind that entity this certification].</p> <p><u>Non-profit Borrower or Required Borrower Principal</u></p> <p>If the Borrower or Required Borrower Principal is a non-profit, the Seller must identify whether the non-profit Borrower's or Required Borrower Principal's primary funding sources are from fees on development projects or from competitive sources such as public funding, grants, gifts, or donations that may be subject to budget constraints.</p>

Document	Requirements
Financial statements – property	See “property financial statements”.
Flood zone determination (FZD)	The Seller must provide to Freddie Mac a flood zone determination (FZD) meeting the requirements of Section 31.8(b)
Green Building Certificate	<p>Any industry-standard green rating or certification, when required for Green Certified buildings. Acceptable green ratings or certifications include</p> <ol style="list-style-type: none"> 1. EarthCraft, Greater Atlanta Home Builders Association & South Face 2. ENERGY STAR for Multifamily, EPA 3. ENERGY STAR Qualified MF High-Rise, EPA 4. Green Communities, Enterprise Community Partners 5. Green Globes, Green Building Initiative 6. GreenPoint Rated, Build It Green 7. LEED Certification, US Green Building Council 8. National Green Building Standard, Home Innovation Research Labs and/or 9. Any other approved certification provided by the applicable authority.
Ground lease documentation	<p>For a Property subject to a ground lease, the Seller must provide to Freddie Mac all of the following, with a copy of each to the applicable Multifamily Attorney. See Chapter 30.</p> <ul style="list-style-type: none"> • A copy of the ground lease and all existing amendments • An analysis of the ground lease by Seller's counsel using the Ground Lease Analysis form available on FreddieMac.com • Any other items required by Chapter 30
Historical property financial statements	See “property financial statements”.

Document	Requirements
<p>Housing Assistance Payments (HAP) contract</p>	<p>The Seller must provide, if applicable:</p> <ul style="list-style-type: none"> • Copies of the original Section 8 HAP Contract along with all amendments and renewals, including evidence of the currently applicable unit rents approved by the US Department of Housing and Urban Development (HUD) or the HAP Contract administrator • Section 8 Housing Assistance Payments Contract Questionnaire (available on FreddieMac.com), completed by both Seller and Seller’s counsel • Evidence of 2530 clearance for Borrower, Borrower Principals and Management Agent, if applicable • Management and Occupancy Review MOR Form, if applicable • Current REAC Score, if applicable <p>See “rent, income and use restriction documentation”.</p>
<p>Land Use Restriction Agreement (LURA)/ regulatory agreement</p>	<p>A copy of the applicable regulatory agreement imposing tenancy, occupancy and other operating and use restrictions on the Property (for tax-exempt bonds, if applicable, and LIHTC).</p> <p>See also “rent, income and use restriction documentation”.</p>
<p>Legal Issues Analysis (LIA) form</p>	<p>The LIA is the form used to prepare the preliminary legal issues memorandum (PLIM) at loan origination. The LIA (and any required updates as described in the LIA instructions) must meet the requirements of Section 6.4. The LIA is available on FreddieMac.com.</p> <p>See the entry for preliminary legal issues memorandum (PLIM), below, for the analysis required for Servicing transactions.</p>
<p>Low-Income Housing Tax Credit (LIHTC) Compliance/Monitoring for Income Averaging documentation</p>	<p>For a LIHTC Property where the Income Averaging Set-Aside has been applied, documentation providing details of the investor’s compliance and monitoring strategy.</p>

Document	Requirements
<p>Low-Income Housing Tax Credit (LIHTC) allocation and certification documentation</p>	<p>The Seller must provide a copy of:</p> <ul style="list-style-type: none"> • The allocation letter • The Low-Income Housing Credit Allocation and Certification, IRS Form 8609, used to obtain a housing credit allocation from the housing credit agency when a Property is placed into service • The Low-Income Housing Credit Agencies Report of Noncompliance or Building Disposition, IRS Form 8823, if any, that was used to notify the Internal Revenue Service of noncompliance with the requirements of Internal Revenue Code (IRC) §42 from both the property manager and the Borrower Principal. <p>In addition, the Seller must obtain from the property manager and the Borrower a report of any unresolved issues with State allocating agencies on existing LIHTC properties.</p> <p>See also “rent, income and use restriction documentation”.</p>
<p>Management plan or management agreement</p>	<ul style="list-style-type: none"> • The Seller/Servicer must obtain the total amount of the management fee as a percentage of effective gross income (EGI), which Freddie Mac will evaluate during the underwriting of the Mortgage. • If the Property is managed by the Borrower or the Borrower Principal, the Seller must deliver the Borrower’s management plan. • If a management firm is managing the Property, the Seller must include a copy of the management agreement for the Property. • If the management agreement will not be assigned to the lender, then the agreement must be terminable by the property owner upon not more than 30 days’ notice to the manager without the necessity of establishing cause for termination and without payment of a penalty or fee.

Document	Requirements
<p>Manufactured Housing Community (MHC) Tenant Protections</p>	<p>For an MHC Mortgage with MHC Tenant Protections, the Seller must submit the following:</p> <ol style="list-style-type: none"> 1. Sample lease with MHC Tenant Protections. Seller’s counsel must confirm that the sample lease includes all MHC Tenant Protections. 2. Invoices for all Third-Party Reports. Seller must deliver invoices for all Third-Party Reports to Freddie Mac prior to interest rate lock.
<p>Manufactured Housing Resident-Owned Community (MHROC) Analysis</p>	<p>For a Manufactured Housing Resident-Owned Community (MHROC) Mortgage, a copy of the Manufactured Housing Resident-Owned Community Analysis, available on FreddieMac.com, with a copy to the applicable <i>Multifamily Attorney</i>.</p>
<p>Market study</p>	<p>The Seller must provide an independent, third-party market study including the following information:</p> <ol style="list-style-type: none"> 1. Market area definition 2. Physical and location analysis 3. Economic analysis 4. Demographic analysis 5. Supply analysis 6. Demand analysis 7. Capture rate analysis by unit type 8. Recommendation <p>Freddie Mac will also accept a market study incorporated into the Appraisal, per the requirements of Section 60.20.</p> <p>For a Forward Commitment, the market study must support the underwriting assumptions.</p>

Document	Requirements
<p>Master lease documentation</p>	<p>For a Property subject to a master lease, the Seller must provide:</p> <ul style="list-style-type: none"> • A copy of the master lease and all existing amendments • An analysis of the master lease by Seller’s counsel in accordance with Section 6.7
<p>Moisture Management Plan</p>	<p>When required, the Seller must provide a copy of the Property’s Moisture Management Plan meeting the requirements of Section 8.3(a).</p> <p>If a Moisture Management plan is required but not yet available, it must be submitted with the final delivery package.</p>
<p>Mortgage transaction narrative analysis</p>	<p>The Seller must provide to Freddie Mac a mortgage transaction narrative analysis, which (at the Seller’s option) may be based on the Mortgage Transaction Narrative Analysis – Best Practices available on FreddieMac.com.</p> <p>The mortgage transaction narrative analysis must contain the following:</p> <ol style="list-style-type: none"> 1. Characteristics of the proposed Mortgage that make it an investment quality Mortgage, risk factors and the reasons the Seller recommends the Mortgage 2. Property’s physical description, including full address with zip code (including amenities, unit features and general competitive advantages and disadvantages) 3. Property’s financial analysis (profile and trend) 4. Evaluation of balloon risk that includes the Borrower’s ability to pay the unpaid principal balance (UPB) of the new Mortgage at maturity

Document	Requirements
	<ol style="list-style-type: none"> 5. Surrounding property uses and physical condition, public facilities, shopping facilities and sources of employment 6. Market analysis (occupancy, supply and concessions) 7. History of the Borrower's equity investment in the Property and the Borrower's proposed use of Mortgage proceeds 8. Description of the Borrower, including a description of the borrowing entity, the Borrower's organizational chart and a summary of the qualifications of the Borrower and all Borrower Principals, including an estimate of the financial capacity of each (that is, estimated net worth, liquidity and contingent liabilities) 9. Description of property manager, including a summary of the qualifications of the proposed property manager, the number of units managed, how long it has managed the Property and the amount of the management fee. <p style="margin-left: 40px;">For Senior Housing Mortgages</p> <ul style="list-style-type: none"> • the state and / or regional location of all properties under management • the type and number of acuity of the units managed or owned, and • for Seniors Housing Mortgages that do not require a Seniors Housing Liability Assessment, a description of the depth and level of experience of all key personnel on the onsite, corporate, and regional leadership team of the property manager or Operator. <ol style="list-style-type: none"> 10. Review of third-party reports, including the Seller/Service's reviews of and comments on the Appraisal, environmental and property condition reports (with full underwriting packages only) 11. Loan history if there is an existing mortgage on the Property 12. Proposed sources and uses of funds 13. Information on tenancy characteristics or employer concentration (including whether tenants are primarily elderly, singles or families and whether there is a student or military population) (this item is not required for Seniors Housing

Document	Requirements
	<p>Mortgages)</p> <p>14. Cash equity at risk</p> <p>15. Any exception requests</p> <p>16. Name of any Borrower Principal that meet the definition of a Pass-through Entity provided in the Glossary</p> <p>The mortgage transaction narrative analysis may also include the property inspection documentation described in Section 8.15(a).</p> <p><u>In addition to items 1 – 16 above, for Seniors Housing Mortgages include:</u></p> <ol style="list-style-type: none"> 1. Property information, including <ol style="list-style-type: none"> a. Property type (Independent Living Property, Assisted Living Property, Alzheimers/Dementia Care Property or Continuing Care Retirement Community (CCRC)) b. Number of units and beds c. Average monthly rent d. Percentage of skilled nursing beds, if applicable e. Percentage of net income derived from skilled nursing beds, if applicable 2. An evaluation of the Borrower's and Third-party Operator's (if any) experience at the Property and its other properties 3. The discussion of surrounding property uses must also include hospitals, seniors centers, libraries, restaurants and hotels 4. A market analysis, in the description of market supply, must include a list of all comparable properties, including address with zip code, number of units and beds, their service type, and approximate distance from the Property. The Seller must submit at least three comparables <p><u>In addition to items 1 – 16 above, for a Supplemental Mortgage behind a Securitized First Mortgage, include:</u></p>

Document	Requirements
	<p>a. Confirmation of original UPB, current UPB, amortization (identifying any interest-only period), Annual Debt Service (interest-only and amortizing, as appropriate), and maturity date</p> <p>b. Identification of Securitization pool</p> <p>c. Delinquency report</p> <p>d. Most recent inspection report</p> <p><u>In addition to items 1 – 16 above, for a Mortgage securing a Property subject to a condominium regime:</u> See “Condominium Analysis”</p> <p>In addition to items 1-16 above, for a Mod Rehab Mortgage:</p> <ol style="list-style-type: none"> Summary of renovation scope, budget, and renovation and lease-up schedule. Tax analysis for both the as-is value and the hypothetical as-if renovated and stabilized today value with support tailored to the Property’s jurisdiction. Sponsor’s experience and success with other moderate rehabilitation or value-add projects in recent history with detailed explanation of the extent of the renovations and rent appreciation post renovations. Analysis of any anticipated rent increases or expense savings as a result of the planned renovations at the subject property.
<p>Occupancy history</p>	<p>For a Mortgage whose original principal balance is greater than \$100 million, the Seller must provide the annual percentage of physically occupied dwelling units for each of the most recent five years, or for each year since the completion of construction, whichever is less.</p>
<p>Operation & Management (O&M) Program</p>	<p>If required, the Seller must provide a copy of an O&M program for:</p> <ul style="list-style-type: none"> Lead-based paint (see Section 61.4(c)) Asbestos (see Section 61.6(f))

Document	Requirements
	<ul style="list-style-type: none"> • Underground storage tanks (see Section 61.8(d)) • Other, as applicable
<p>Organizational Charts – Borrower, Guarantor (not in Borrower’s organizational structure), Master Tenant, or Operator</p>	<p>For any entity that is a Borrower, a Guarantor not in the Borrower’s organizational structure, Master Tenant of a Shariah compliant loan, DST loan or other master lease structure or Operator of a Seniors Housing Property, the Seller must submit to Freddie Mac an organizational chart showing the direct and indirect ownership for that entity identifying any individual or entity:</p> <ul style="list-style-type: none"> • With 25 percent or greater aggregate direct or indirect interest in Borrower, Guarantor (not in Borrower’s organizational structure), Master Tenant or Operator including beneficial interests in a Delaware Statutory Trust or Illinois Land Trust • That is a Non-U.S. Equity Holder • That directly or indirectly Controls Borrower, Guarantor (not in Borrower’s organizational structure), Master Tenant or Operator including any general partner, managing member, non-managing member, member of a board of managers, settlor/trustee of a living trust or revocable trust or trustee of an irrevocable trust <p>100 percent of the ownership interest in Borrower must be shown.</p> <p>The Seller/Service’s counsel must review the Organizational Chart.</p> <p>See Guidance – Organizational Charts on FreddieMac.com.</p>
<p>Payroll schedule</p>	<p>The Seller must provide a current schedule of payroll expenses associated with the operation of the on-site leadership team at the Property, including salary, wages, bonuses, net pay and deductions.</p>
<p>Photographs</p>	<p>The Seller must submit to Freddie Mac photographs clearly illustrating all aspects of the Property, including exterior, interior and street scenes.</p>

Document	Requirements
<p>Physical Risk Report – Form 1108</p>	<p>The Seller/Servicer has the option to provide to Freddie Mac a completed Form 1108, Physical Risk Report meeting the requirements of Chapter 66 in lieu of an environmental report and a property condition report for a Mortgage that meets all of the following conditions:</p> <ul style="list-style-type: none"> • The Mortgage has an initial principal balance of \$20 million or less, or the Mortgage is a Supplemental Mortgage and the combined initial principal balance of the Supplemental Mortgage and the unpaid principal balances of any senior Mortgages encumbering the Property are \$25 million or less in the aggregate • The Mortgage is not a Moderate Rehabilitation Mortgage, a Lease-up Mortgage, a Value-add Mortgage or a Forward Commitment Mortgage
<p>Post-construction analysis report</p>	<p>A post-construction analysis report meeting the requirements of Section 63.5 is required.</p> <p>This report is required for Forward Commitments and for Mod Rehab Mortgages at completion of renovation. See Section 39.9 for submission of a post-construction analysis report for a Mod Rehab Mortgage.</p>
<p>Pre-construction analysis report</p>	<p>A pre-construction analysis report meeting the requirements of Section 63.3(a) is required.</p> <p>For Forward Commitments and Mod Rehab Mortgages at Interim Phase underwriting, the pre-construction analysis report replaces the standard property condition report. See Section 63.3(a) for requirements for the pre-construction analysis report.</p>
<p>Preliminary legal issues memorandum (PLIM)</p>	<p>The Legal Issues Analysis form is used to prepare the preliminary legal issues memorandum (PLIM) prior to loan origination.</p> <p>The Preliminary Legal Issues Memorandum Form – Servicing is the form used to prepare a PLIM meeting the requirements of Section 6.4 for Servicing transactions.</p>

Document	Requirements
<p>Property condition report</p>	<p>The Seller must provide to Freddie Mac a property condition report meeting the requirements of Chapter 62.</p> <p>For Forward Commitments and Mod Rehab Mortgages at Interim Phase underwriting, the pre-construction analysis report replaces the standard property condition report. See Section 63.3(a) for requirements for the pre-construction analysis report.</p>
<p>Property financial statements</p>	<p>The Seller must provide to Freddie Mac financial statements for the Property as follows:</p> <ul style="list-style-type: none"> <p>• Historical property financial statements Financial statements for the Property for the specified period, certified by the Borrower via the Blanket Certification as complete and accurate</p> <p>If the Mortgage has an original principal balance greater than \$100 million or the Mortgage is a TAH Mortgage, the Seller must provide historical property financial statements for the most recent three years, or since the completion of construction of the Property, whichever is less, and including the net rental income, concessions and gross potential rent.</p> <p>• Current property financial statements (T-12 format) Current statement for the twelve-month period prior to the month in which the Borrower has made the financing request, certified by the Borrower as complete and accurate. If available, this statement must reflect monthly operations for each of the preceding 12 months. If a monthly summary statement is not available, the Seller must provide a current fiscal year-to-date Property financial statement and a monthly statement for each of the three months prior to the month in which the Borrower has made the financing request. These statements must be certified by the Borrower as complete and accurate via the Blanket Certification.</p> <p>• Borrower’s budgeted property financial statements The Borrower’s budget for the following 12-month period, certified by the Borrower as complete and accurate via the Blanket Certification.</p> <p>The Seller must review the property financial statements, which must include income and expense statements.</p>

Document	Requirements
	<p>See the Blanket Certification for instructions on preparing the certification of the property financial statements.</p> <p>If the financial statements are audited, they must include a statement of changes in financial position and all notes.</p>
<p>Property inspection documentation</p>	<ul style="list-style-type: none"> • Prior to early rate-lock, the Seller must complete and document the inspection described in Section 8.15(a) • At full underwriting, the Seller must complete and document the property inspection described in Section 8.15(b) • Prior to commitment under a Forward Commitment, the Seller must conduct a Forward Commitment Property Inspection as described in Section 8.16 • Prior to conversion under a Forward Commitment, the Seller must conduct a complete property inspection as described in Section 8.15(b) <p>The inspection requirements must be completed within 120 days of Freddie Mac’s receipt of the applicable underwriting package.</p> <p>If Freddie Mac has delegated the property inspection to the Seller, the Seller must acknowledge this delegation on the Property Inspection and Lease Audit form.</p> <p>See Section 8.15 for additional information regarding property inspection requirements.</p>
<p>Proposed transaction schedule</p>	<p>For a Mortgage originated under the Multifamily Housing Bond Credit Enhancement Program, the Seller must provide a proposed transaction schedule that sets forth the schedule and timing for the bond transaction, including the scheduled conference calls, timing for the delivery of documents and the closing date.</p>
<p>Purchase agreement and analysis</p>	<p>If the Borrower is acquiring the Property, the Seller must submit to Freddie Mac a copy of the purchase agreement and all amendments, plus a purchase agreement analysis, to include the following:</p> <ol style="list-style-type: none"> 1. Calculation of the purchase price, taking into account any

Document	Requirements
	<ul style="list-style-type: none"> • Contingency reductions • Changes to the price predicated on changes in the closing date • Material noncustomary adjustments to closing costs, closing credits, fees (specifically excluding allocations for title insurance, survey costs, brokers' fees, recording taxes and per diem rent, utility or insurance costs) <ol style="list-style-type: none"> 2. Identification of the scheduled closing date, together with options to extend 3. Analysis of all amendments 4. Confirmation that the purchase agreement and all amendments have been completed and signed 5. Identification of any contingencies or confirmation that none exist 6. Identification of any post-closing escrows to be posted by the property seller or the Borrower 7. Analysis of any environmental hazards, zoning or property conditions identified in the purchase agreement 8. Certification from the Borrower that there are not any due diligence items in the purchase agreement that have not been revealed and that Borrower acknowledges and agrees that Freddie Mac will not be deemed to have knowledge of any hazardous conditions, zoning issues or property condition issues merely by its possession of the purchase agreement
Quote	The Seller must provide a copy of any written Quote issued by Freddie Mac, or a statement indicating the date and terms of the verbal Quote the Borrower has selected.
Real Estate Schedule, Form 1116	The Seller must provide to Freddie Mac a Form 1116, Real Estate Schedule, for all real estate in which any Required Borrower Principal that is not newly formed currently has a direct or indirect interest.

Document	Requirements
	<p>The Real Estate Schedule must be dated within 180 days from the date of submission of the underwriting package and certified by the Required Borrower Principal as complete and accurate.</p> <p>The Required Borrower Principal must</p> <ul style="list-style-type: none"> • Provide a written explanation of any non-performing assets in its portfolio • State whether the Required Borrower Principal owns and manages other properties in the market where the Property is located <p>If the Property is a Cooperative or MHROC, the Form 1116, Real Estate Schedule may be waived if the Borrower confirms the following on the Form 1115, Borrower and Borrower Principal Certificate:</p> <ul style="list-style-type: none"> • The Property is a Cooperative • The Borrower does not own any asset other than the Property.
<p>Real Estate Schedule Addendum – Seniors Housing</p>	<p>See “Seniors Housing Real Estate Schedule Addendum”.</p>
<p>Real estate tax bill</p>	<p>If the Borrower is acquiring the Property, the Seller must provide to Freddie Mac a copy of the most recent real estate tax bill from the Property's local taxing authority.</p> <p>If the Mortgage is being originated for the purpose of new construction, a real estate tax bill is not required.</p>
<p>Registration of rental units (rent control/ stabilization)</p>	<p>The Seller must provide to Freddie Mac proof of compliance with any applicable State or local requirement for the registration of rents, including evidence of the current registered rent for each unit in the Property. Freddie Mac may require similar proof of compliance with such requirements for prior years and may require other evidence of compliance with State or local rent control or stabilization laws.</p>

Document	Requirements
<p>Renovation documentation – Mod Rehab Mortgages and Preservation Rehabilitation Mortgages</p>	<p>For all Mod Rehab Mortgages, the Seller/Servicer must provide the documentation listed below. For a Preservation Rehabilitation Mortgage, Freddie Mac may request the Seller/Servicer to include the following documentation in the underwriting package.</p> <ul style="list-style-type: none"> • Construction budget – hard costs and material quantities • Development budget – total project costs, including soft costs, financing costs, land acquisition expenses and hard costs • Construction schedule – the timeline for major construction activities • Lease-up schedule – the timeline for the lease-up • Final plans and specifications – a clear picture of the Property’s appearance and new features post-renovation. Plans and specifications are considered to be final when they are stamped and sealed by the associated professional • Construction contract – the contract between the Borrower and the general contractor for the completion of all planned renovations • Development team’s qualifications – key staff resumes, a summary of experience with similar projects and years in business. Members of the development team include the sponsor, the architect, the general contractor and the management company • Servicing team’s qualifications – staff resumes and summary of experience with similar projects. Members of the Servicing team include individuals responsible for administration and those responsible for physical inspections <p>Work in Progress: If renovation work commenced before underwriting, additional information is required:</p> <ul style="list-style-type: none"> • Sponsor certification regarding all work completed and costs expended • All executed change orders to date • All construction monitoring reports to date.

Document	Requirements
	<p>For any new construction (i.e., new residential or amenity building), a more detailed breakout within the budget, schedule, and plans/specs is required.</p> <p>See Chapter 63 for additional information about renovation documentation.</p>
<p>Rent, income and use restriction documentation</p>	<p>The Seller must provide copies of any existing regulatory agreements (including any amendments) creating tenant income, rent or other operating or use restrictions for the Property.</p> <p>If applicable, see also:</p> <ul style="list-style-type: none"> • Land Use Restriction Agreement (LURA)/Regulatory Agreement (for tax-exempt bonds, if applicable, and LIHTC) • Low-Income Housing Tax Credit (LIHTC) allocation and certification documentation • Housing Assistance Payments (HAP) contract • Registration of rental units (rent control/stabilization)
<p>Rent roll</p>	<p>The Seller must review and provide to Freddie Mac a rent roll that meets the following requirements. An optional Rent Roll Template can be found on FreddieMac.com at https://mf.freddiemac.com/docs/rent_roll_template.xls.</p> <ul style="list-style-type: none"> • Is dated within 30 days of the underwriting package submission. • Is complete with respect to the required information below for each unit. <p><u>For a Property that is not secured by a Seniors Housing Mortgage:</u></p> <ol style="list-style-type: none"> 1. Tenant's name(s) 2. Unit number or identification 3. Unit type (number of bedrooms and bathrooms) 4. Square footage of each unit 5. Occupancy status by unit and by bed, if applicable

Document	Requirements
	<ol style="list-style-type: none"> 6. Identification of any employee units, model units, and units used as rental offices 7. Monthly contract rent 8. Concessions, rebates or discounts given to tenant, if applicable 9. Arrearages owed by tenant, if any 10. Subsidies, if applicable (specify type) 11. Rent controlled or rent stabilized, if applicable 12. Original occupancy date, per tenant 13. Lease commencement date 14. Lease expiration date and renewal options, if any 15. Month-to-month status, per tenant 16. Amount of security deposit held 17. Furnished or unfurnished status <p><u>For a Property secured by a Seniors Housing Mortgage:</u></p> <ol style="list-style-type: none"> 1. Tenant’s name(s) 2. Unit number or identification 3. Unit type (number of bedrooms and bathrooms) 4. Occupancy status 5. Identification of any employee units, model units and units used as rental offices 6. Monthly rent and concessions, if applicable, without regard to any applicable additional resident fees, subsidies, or concessions, rebates or discounts given to tenant. If Property

Document	Requirements
	<p>or resident receives any Medicaid income, Medicaid subsidy/ reimbursement must be listed separately from the rent the resident pays</p> <ol style="list-style-type: none"> 7. Entrance fees, community fees or other upfront fees held or charged (refundable or nonrefundable) 8. Additional fees for second residents, if applicable. If the unit has two unrelated occupants, rents for each resident should be combined 9. Fees for resident care associated with Activities of Daily Living (ADLs) 10. Miscellaneous ancillary fees, such as furniture rental, beautician, unscheduled transportation or interest income 11. Arrearages owed by tenant, if any 12. Lease commencement date 13. Original occupancy date, per tenant 14. Lease expiration date and renewal options, if any 15. Month-to-month status, per tenant 16. Amount of security deposit held <p><u>For Mortgages originated under a Forward Commitment:</u></p> <ul style="list-style-type: none"> • A rent roll is not required in the full underwriting package for a Mortgage originated for new construction • For a TAH Cash or TAH Bond Credit Enhancement Conversion Underwriting Package, the rent roll must cover the preceding 90 days and must be dated within 45 days of the Conversion <p>In addition to the rent roll, for an LIHTC Property where the Income Averaging Set-Aside has been applied, the Seller must provide a rent roll analysis confirming that rents on the Origination Date will meet the average AMI requirements.</p>

Document	Requirements
Residential lease sample	Freddie Mac requires the property inspector to upload, to DMS as part of the required Property inspection documentation, a sample or unexecuted residential lease or an executed residential lease.
Seismic risk documentation	If a Property is located in an Elevated Seismic Hazard Region, the Seller must provide to Freddie Mac a Seismic Risk Assessment (SRA) and a copy of the Peak Ground Acceleration (PGA) calculation obtained from the United States Geological Survey (USGS) website, as required by Section 64.2. If a Level 1 SRA is required the Seller must also provide to Freddie Mac Form 1102, Seismic Risk Assessment Summary.
Seller’s certification and disclosure of any HUD-2530 issues relating to the Borrower Principal and Property Manager	Freddie Mac requires the Seller to certify and disclose any issues with the Borrower Principal and Property manager that may have been identified on a Previous Participation Certificate, Form HUD-2530. This form is HUD’s centralized review of the past/present performance of those principals applying for participation in HUD’s multifamily housing programs. Principals are reviewed to see if they have carried out their past financial, legal, and administrative obligations in a satisfactory and timely manner.
Seller’s certification regarding compliance with representations and warranties	<p>The Seller must provide to Freddie Mac the following certification in a letter on the Seller's stationery:</p> <p style="padding-left: 40px;">“Seller certifies that it is familiar with and in compliance with the warranties and representations that, pursuant to Chapter 5 of the Freddie Mac Multifamily Seller/Service Guide, it is deemed to make with respect to each Mortgage and related information delivered to Freddie Mac.”</p>
Seller's mortgage loan application with Borrower	<p>For all Mortgages, the Seller must provide to Freddie Mac a copy of the mortgage loan application executed by the Borrower and submitted to the Seller. The application must evidence all material terms of the proposed mortgage financing. In addition, for Mortgages submitted under the early rate-lock delivery option, the Seller’s application must evidence the Borrower's obligation to pay the Borrower Breakage Fee (see Section 27.2).</p> <p>For any Mortgage, the mortgage loan application must include the following authorization by the Borrower:</p> <p style="padding-left: 40px;">“The Borrower understands that [Name of Seller] intends to sell the mortgage loan for which Borrower is applying (the "Mortgage") to Freddie Mac. If Freddie Mac purchases the</p>

Document	Requirements
	<p>Mortgage, the Borrower's signature below constitutes the Borrower's authorization for Freddie Mac to publicly use, at Freddie Mac's discretion, the name of the Property, photographs of the Property, and basic transaction information (for example, the number of units in the Property, the loan amount, etc.) relating to the Mortgage.”</p> <p>For any cash execution Mortgage, the mortgage loan application must also include the following acknowledgements by the Borrower:</p> <ul style="list-style-type: none"> • “The Borrower understands that subsequent to the closing of the Mortgage, Freddie Mac may require regular financial statements from the Borrower outlining the Property's financial performance.” • “The Borrower acknowledges that this Mortgage will be sold to Freddie Mac and that Freddie Mac may sell this Mortgage into a commercial mortgage-backed securitization or similar type execution and may not hold this Mortgage in Freddie Mac's portfolio.” <p>For a Mortgage originated under the Multifamily Housing Bond Credit Enhancement program, the mortgage loan application must include the following authorization by the Borrower:</p> <p>“The Borrower understands that Freddie Mac intends to credit enhance the mortgage loan for which Borrower is applying (the “Mortgage”). If Freddie Mac credit enhances the Mortgage, the Borrower's signature below constitutes the Borrower's authorization for Freddie Mac to publicly use, at Freddie Mac's discretion, the name of the Property, photographs of the Property, and basic transaction information (for example, the number of units in the Property, the loan amount, etc.) relating to the Mortgage.”</p>
<p>Seller's pro forma property financial statements</p>	<p>The Seller must prepare the Seller's pro forma property financial statements for the next 12 months. The statements must include historical and year-to-date annualized income and expense information for comparison purposes.</p>

Document	Requirements
<p>Seniors Housing agreements and contracts</p>	<p>The Seller must provide to Freddie Mac a copy of all potentially material contracts and agreements by the Borrower, manager or operator of the Property related to the ownership and operations of the Seniors Housing Property, acceptable to Freddie Mac, including, but not limited to:</p> <ul style="list-style-type: none"> • Management agreement • Operating agreement/operating lease • Food service agreement • Healthcare provider agreement • Any contract with an average annual consideration of \$50,000 or more <p>Generally, copies of contracts for routine maintenance such as landscaping, snow removal or general office equipment are not required.</p> <p>The Seller must also provide a certification from the Borrower listing the contracts that fall into the foregoing categories, and who among the Borrower, operator, and property manager is a party to each contract.</p> <p>Any management agreement, food service agreement or healthcare provider agreement must be terminable by the Borrower (or by the manager, if the manager has contracted for the services) or its assignee, upon not more than 30 days' notice to the manager or service provider and without the necessity of establishing cause for termination or the payment of a penalty or fee.</p> <p>Any other contract, the average annual consideration of which, directly or indirectly, is at least \$50,000, must be assignable to Freddie Mac and must be terminable upon not more than 30 days' notice to the provider or upon an event of default under the Mortgage without the necessity of establishing cause or the payment of a penalty or fee.</p> <p>Any management agreement, food service agreement or healthcare provider agreement that is to be assigned to Freddie Mac must be assigned before final delivery and such assignment must be consented to by the provider.</p>

Document	Requirements
	<p>Seller’s counsel must submit the operating lease analysis to Freddie Mac. The Legal Issues Analysis must specify (i) any contracts that should be considered material for purposes of the Loan Agreement, and (ii) recommendations regarding assignments of contracts that are not in the Borrower’s name.</p>
<p>Seniors Housing Liability Assessment</p>	<p>If the Property includes assisted living, Alzheimer’s care or skilled nursing units, the Seller must provide to Freddie Mac a Seniors Housing Liability Assessment for each property manager or Operator to evaluate its risk management practices with respect to employees, residents and incident reporting.</p> <p>The Seniors Housing Liability Assessment must be performed by a professional meeting the requirements of Section 21.2(i) and the Seller/Service must document the suitability of the professional in the Liability Assessment.</p> <p>The Seniors Housing Liability Assessment must address the following topics:</p> <p>1. Professional Qualifications</p> <ul style="list-style-type: none"> a. Experience Minimum of five years’ experience in geriatrics/long-term-care clinical practices. b. Education Minimum of five years as a Licensed Administrator, licensed practical nurse (LPN) registered nurse (RN), or Physician Extender (PA, RNP) c. References, which address: <ul style="list-style-type: none"> 1. Scope of work 2. Quality of recommendations given 3. Quality of resources provided 4. Timeliness of work product d. Sample work product: <ul style="list-style-type: none"> 1. Copy of typical assessment report 2. Sample recommendations based on industry exposures 3. Sample resources provided to clients to assist in reducing risk to claims 4. Training programs offered

Document	Requirements
	<p style="text-align: center;">5. Monitoring programs offered</p> <p>2. Employee Practices</p> <ul style="list-style-type: none"> a. Risk Management policies and procedures identifying background checks, reference checks and analyzing the background of individuals employed at the Property (e.g., appropriate credentials and certifications) b. Hiring and screening practices and personnel policies (e.g., employee handbook, orientation materials, initial and in-service training materials, available resources, etc.) c. Identification of the use of electronic systems including Billing, Medical Administration Record (MAR), Patient care management, and Marketing d. Compliance with state property staffing requirements including staff to resident ratios per shift and temporary staff and shift change procedure as applicable by state regulations <p>3. Management Practices</p> <ul style="list-style-type: none"> a. Key Topics <ul style="list-style-type: none"> 1. Evidence of written employee policies and procedures manual 2. Staff orientation, screening and discipline regarding resident care issues b. List of key Property level staff including: <ul style="list-style-type: none"> 1. A list of the key Property level positions 2. The tenure of individuals in their positions at the facility 3. The amount of experience the individuals have in the seniors housing industry 4. Resumes should be attached to the report c. Identification of the availability and usage of home health services including: <ul style="list-style-type: none"> 1. Identify whether home health services are being used at the Property 2. Identify who is providing or contracting with the home health services – for example is it the Borrower, a Borrower Affiliate, the Operator, an Operator Affiliate, or a third party 3. If home health services are provided or contracted by the Borrower or Operator verify the provider’s

Document	Requirements
	<p>certification or licensing, as required by state as well as a copy of the referenced contract</p> <ol style="list-style-type: none"> 4. Identify whether the home health provider leases space or not at the Property 5. Type of services offered by home health agency <p>d. Risk management policies and procedures, including identifying and analyzing the background/experience of individuals employed by the Borrower or the Operator to handle insurance and risk management matters.</p> <p>e. Corporate / Regional Support and Quality Assurance:</p> <ol style="list-style-type: none"> 1. Discussion of the corporate / regional oversight or 3rd-party contract of the facility including identification of the corporate / regional staff that visit the Property including their title and frequency of visits 2. Copy of any risk management tools and summary reports/ audits, if available 3. Implementation of a quality assurance program addressing the regulatory compliance and whether internal results are tracked, trended, analyzed or benchmarked against other properties operated <p>4. Resident Practices:</p> <p>a. The following must be provided, documented, and analyzed regarding resident practices:</p> <ol style="list-style-type: none"> 1. Copy of written admission agreement(s) and fees that identify scope of services to be provided 2. Copy of resident assessment forms and qualifications of staff responsible for assessing residents prior to admission, as well as how often residents are assessed going forward <p>b. Confirmation that specific policies and procedures are in place to address the following conditions:</p> <ol style="list-style-type: none"> 1. Resident service plan established and updated with changes in condition 2. Resident evacuation in case of emergency 3. Fall management 4. Elopement/Wandering 5. Skin Care 6. Elder Abuse 7. Dehydration/Malnutrition 8. Neglect 9. Mental health behavior plan

Document	Requirements
	<ul style="list-style-type: none"> 10. Physical notification for change in resident condition 11. Medication management 12. Smoking 13. Transfer/Discharge 14. Infectious Control <p>c. Collection of Resident Turnover data by care type to calculate the turnover ratio for the most current year available</p> <p>5. Regulatory Compliance:</p> <ul style="list-style-type: none"> a. Identity of governmental authorities with jurisdiction over the Property, as well as each governmental authority's definition of the level of care permitted at the Property. b. Copies and a summary of all governmental surveys for last three-years or three certification periods including a summary and analysis of any deficiencies or enforcement actions cited in the surveys. The severity, repeated deficiencies and type of enforcement action (such as probation or ban on admissions) must be part of the analysis, categorized by the following topics: <ul style="list-style-type: none"> 1. State Health Inspections 2. Fire / Life Safety Inspections 3. Food Safety Inspections c. Copies of the Plan of Corrections (POCs) submitted by the owner or Operator and the date of acceptance of the government authority, if applicable. If the POC has not been accepted by the government authority, then the process required to resubmit plan of correction of deficiencies must be provided including any steps already taken or remaining to complete. If the correction requires re-inspection, this should be noted and whether it will occur at the next standard licensure inspection or earlier date. d. Discussion of whether the Property is in substantial compliance from most recent inspection and is permitted to continue operations until re-inspection. e. List and copies of all licenses and permits needed to operate the Property, the expiration date of such licenses, and if the license is transferable to include, but not limited to: <ul style="list-style-type: none"> 1. State health licenses 2. Business licenses

Document	Requirements
	<p>3. Food permits</p> <p>f. If a change in licensure is necessary, the report must detail the summary of licensing procedures required to affect a change in Property ownership, any service provider, authority to operate, or management, including the timeline for licensure change, the identification of the state or local governmental authority that needs to receive notice or provide approval, and the content of the notice.</p> <p>g. If the Property receives any sort of subsidy program (for example Medicaid/ Medicare), then the report must include the following:</p> <ol style="list-style-type: none"> 1. Assessment of the status of any federal, state, or local proposed regulations or amendments to existing regulations that could affect the Property 2. Identification and analysis of any special insurance requirements required by any government authority. <p>Recommendation / Summary:</p> <p>a. Onsite inspection of the Property</p> <p>b. An overall assessment of employee, management and resident practices as well as regulatory compliances affecting the Property, including the identification and analysis of shortcomings with recommendations on matters to the ownership, operation or management of the Property</p> <p>c. List of sources and references used to complete the report</p>
<p>Seniors Housing licenses and certificates</p>	<p>The Seller must provide the following to Freddie Mac:</p> <ul style="list-style-type: none"> • A list of any and all licenses, certificates and permits required for the operation of the Property • A copy of each existing license, certificate or permit issued by any governmental or regulatory authority, whether issued to the Borrower, the manager or the operator of the Property, and the renewal date of each such license, certificate or permit • Documentation pertaining to any pending or outstanding violations, findings, investigations or corrective actions by such governmental or regulatory authority with respect to the Property and the status of any corrective actions pending or resolved within the previous three years

Document	Requirements
	See Section 21.3(e) for additional license requirements.
<p>Seniors Housing list of furniture, fixtures, equipment and motor vehicles</p>	<p>The Seller must submit to Freddie Mac a list of items or classes of items of all furniture, fixtures, equipment and motor vehicles located on or used in connection with the Property that are not owned by the Borrower, including the name of the owner of each item.</p> <p>The list must be certified by the Borrower to be true and complete.</p> <p>The Legal Issues Analysis must include the Seller’s counsel’s recommendation with respect to the Lender’s security interest in FF&E and motor vehicles not in the Borrower’s name.</p>
<p>Seniors Housing Management Assessment</p>	<p>A Seniors Housing Management Assessment is required for any Seniors Housing Mortgage with a UPB greater than or equal to \$50 million, or for any Seniors Housing Mortgage that is part of a crossed pool, if the pool has a UPB greater than or equal to \$100 million.</p> <p>The Seniors Housing Management Assessment is a narrative report that describes and assesses the experience and capabilities of the Manager or Operator of the Property regarding the daily use and operation of the Property. It is required, whether the Manager or Operator of the Property is or is not an affiliate of the Borrower.</p> <p>The Seller may prepare the Seniors Housing Management Assessment or may contract for its preparation by a third-party.</p> <p>The Seniors Housing Management Assessment must address each of the categories outlined below:</p> <ol style="list-style-type: none"> 1. Management structure and experience <ol style="list-style-type: none"> a. Organizational charts that identify all reporting relationships at the corporate, regional, and Property levels b. Description of the depth and level of experience of all key personnel at the corporate, regional, and Property levels 2. Employee / Management Practices <ol style="list-style-type: none"> a. Corporate, regional, and Property level hiring and retention practices

Document	Requirements
	<ul style="list-style-type: none"> b. Interaction between corporate / regional staff with Property level staff c. Corporate training practices <p>3. Healthcare IT</p> <p>Review of the corporate and property level healthcare information technology including accounting, resident management, marketing, resident assessments, resident service plans, activities, medication administration records, and electronic health records.</p> <p>4. Risk Management Program</p> <ul style="list-style-type: none"> a. Corporate policies and procedures for reviewing, investigating, and reporting incidents and accidents b. Corporate level assessment of operations and clinical issues c. Corporate GL/PL insurance overview <p>5. Regulatory Compliance</p> <p>Corporate quality assurance program practices.</p> <p>6. Summary and Conclusion</p> <p>Overall conclusion on the competency of Manager or Operator experience and capabilities and whether they meet, exceed, or fall short of industry standards.</p>
<p>Seniors Housing Real Estate Schedule Addendum</p>	<p>In addition to the Form 1116, Real Estate Schedule, or other form, for a Borrower who leases the Property to a third-party operator, the Seller must provide Freddie Mac with the following information for each of the other such properties run by the operator:</p> <ul style="list-style-type: none"> 1. Name, address and location 2. Term of the contract

Document	Requirements
	<ol style="list-style-type: none"> 3. Property owner's name, address and telephone number 4. Type of resident care, if any, provided (for example, independent living, assisted living, dementia care or skilled nursing care) 5. A list of any required licenses and certifications that are not current and in good standing
Sources and Uses	<p>The Seller must provide details about a transaction's cash inflows (sources) and outflows (uses) at the time the Mortgage is funded, to enable an underwriter to understand the cash sources of the transaction and how the proceeds from the Mortgage will be used to finance the transaction.</p> <p>Sources and uses may be included in the mortgage transaction narrative analysis.</p>
Student Housing Questionnaire, Form 1120	<p>The Seller must submit to Freddie Mac a completed and executed Form 1120, Student Housing Questionnaire, for each Student Housing Property.</p>
Subordinate debt documentation	<p>The Seller must provide documentation for any subordinate debt, such as the note, mortgage, loan agreement and regulatory agreement or, if the subordinate loan has not yet been originated, the forms of such documents and the commitment for the subordinate loan.</p>
Summary of interest rate hedge terms	<p>The Seller must provide to Freddie Mac a summary of interest rate hedge terms.</p>
Survey	<p>A current survey of the Property meeting the requirements of Section 29.5. If the Mortgage is being originated for the purpose of new construction, an as-built survey is not required.</p>
Verification of Collections, Form 1144	<p>For a Targeted Affordable Housing Mortgage, the Seller must provide to Freddie Mac Form 1144, Verification of Collections, completed and certified by the Borrower or Borrower Principal. The last full month of verified collections must be dated within 30 days of package submission, unless otherwise specified by Freddie Mac. In lieu of a Form 1144, the Borrower may provide certified operating statements for the most recent three months.</p>

Document	Requirements
<p>Wood-damaging insect inspection documentation</p>	<p>A wood-damaging insect inspection report is not required if the Property has no wood framing or structural members (i.e., significant components that could be subject to damage by wood-damaging insects, such as termites, powderpost beetles, carpenter ants, etc.) as determined by either the Property Condition Report or the Physical Risk Report.</p> <p>For any Property with wood framing or structural members as described above, the Seller must provide the following documentation to Freddie Mac:</p> <ul style="list-style-type: none"> • A wood-damaging insect inspection report stating that there is no evidence of wood-damaging insect infestation, or • Certification from the Property’s current pest control provider stating that there is no evidence of wood-damaging insect infestation and the Property is regularly inspected and/or treated to prevent wood-damaging insect infestation. <p>The wood-damaging insect inspection report or the certification from the Property’s current pest control provider must be dated within six months prior to the date of the submission of the full underwriting package to Freddie Mac.</p> <p>Notwithstanding the above, the documentation listed above is not required if the following three conditions are satisfied:</p> <ul style="list-style-type: none"> • The Borrower provides documentation confirming that there is a wood-damaging insect contract in place for the Property; • A wood-damaging insect contract will remain in place for the term of the Mortgage, and • There is no evidence of wood damage per the Property Condition Report (if applicable); <p>See also Sections 62.5(a), Property grounds and buildings, 62.5(e) Wood-damaging insects and Section 8.2(e) Wood-damaging insect inspection reports.</p>

Document	Requirements
<p>Zoning documentation</p>	<p>The Seller must provide a zoning report by a third-party reporting company. See Section 8.5 for additional documentation and analysis requirements if:</p> <ul style="list-style-type: none"> • The Property does not conform to current zoning regulations • A zoning report is not available in the jurisdiction where the Property is located • Not all certificates of occupancy required for the use, operation and occupancy of the Property are available <p>Regardless of whether a zoning report is required, for all full underwriting packages, the Seller must include all available certificates of occupancy as part of the zoning documentation.</p> <p>The zoning report may also include documentation of building code violations.</p> <p>A zoning report is not required if the Appraisal includes the zoning analysis required by Section 60.12(g)(2) and all of the following conditions are met:</p> <ul style="list-style-type: none"> • The Mortgage has an initial principal balance of \$20 million or less, or the Mortgage is a Supplemental Mortgage and the combined initial principal balance of the Supplemental Mortgage and the unpaid principal balances of any senior Mortgages encumbering the Property are \$25 million or less in the aggregate • The Mortgage is not a Moderate Rehabilitation Mortgage, a Lease-up Mortgage, a Value-add Mortgage or a Forward Commitment Mortgage <p>See Guide Section 8.5 for complete requirements.</p>

55.3 Requirements for documents contained in the prescreen package (06/25/20)

<p>Cell phone tower lease</p>	<p>The Seller must provide an analysis of cell phone tower leases, if any.</p>
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<p>TAH Bond Credit Enhancement Mortgage Transaction Parties and Details</p>	<p>For TAH Bond Credit Enhancement Mortgages, the Seller must provide a copy of the TAH Bond Credit Enhancement Mortgage Transaction Parties and Details, which is found on FreddieMac.com. This form collects the following information:</p> <ol style="list-style-type: none"> 1. A list the following parties associated with the issuance and Servicing of the bonds: <ul style="list-style-type: none"> • Borrower • Borrower Principals • Issuer • Underwriter/Remarketing Agent • Trustee • Subordinate Lender • Construction Lender 2. A list of the law firms representing each party above, to enable Freddie Mac to determine any possible legal conflict of interest. 3. Transaction details concerning the tax-exempt and taxable components.
<p>Draft Appraisal</p>	<p>The Seller may provide a summary of a draft Appraisal for the Property, if available.</p>
<p>Environmental report and alternatives</p>	<p>The Seller must, to the extent available, provide an environmental report analysis meeting the requirements of Chapter 61.</p>
<p>Financial statements of Borrower and Required Borrower Principals</p>	<p>The Seller must provide, to the extent available, current certified financial statements (dated within six months of delivery of the full underwriting package), including a balance sheet, for the Borrower and any Borrower Principal that is not a newly formed entity and that is a Required Borrower Principal.</p> <p>If current certified financial statements are unavailable, the Seller must provide an informed analysis, developed based on discussions and other due diligence, of the financial capacity of the Borrower(s) and Required Borrower Principal(s).</p>

Information on similar projects completed	The Seller must provide information on, and analysis of, targeted affordable housing projects that the Borrower has completed, for new construction or rehabilitation, that are similar in size and scope and/or are in the same market or sub-market.
TAH Request for Initial Cash Quote or Initial Bond Quote	The Seller must provide, as applicable, a completed copy of the TAH Request for Initial Cash Quote or the TAH Request for Initial Bond Quote, available on FreddieMac.com.
Loan Submission Template for Targeted Affordable Housing	The Seller must include a completed copy of the Loan Submission Template for Targeted Affordable Housing that is provided to the Seller by Freddie Mac. The latest version of the Template can be found on FreddieMac.com.
Market study	<p>The Seller must provide an independent, third-party market study including the following information:</p> <ol style="list-style-type: none"> 1. Market area definition 2. Physical and location analysis 3. Economic analysis 4. Demographic analysis 5. Supply analysis 6. Demand analysis 7. Capture rate analysis 8. Recommendation
Prescreening Executive Summary	The Seller must include a completed copy of the Prescreening Executive Summary form provided to the Seller by Freddie Mac.
Property condition report	The Seller must, to the extent available, provide an analysis of the property condition report meeting the requirements of Chapter 62.
Real Estate Schedule, Form 1116	The Seller must provide a Form 1116, Real Estate Schedule, or other form that contains comparable information, for all real estate

	in which any Required Borrower Principal currently has a direct or indirect interest.
Rent comparables summary	The Seller must provide a list of comparable properties in the market/submarket, detailing rents, unit size, unit mix, etc.
Resumes of Borrower and Borrower Principals	The Seller must provide a description of the Borrower’s and Borrower Principals’ experience with projects that are comparable in size and scope to the proposed transaction.