

Multifamily Seller/Service Guide

Chapter 55SBL

SBL Documentation and Deliveries



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55SBL.1 Use of Chapter 55SBL (12/14/23)

This Chapter 55SBL applies to SBL Mortgages originated under Chapter 18SBL. In this Chapter 55SBL, SBL Seller/Servicers are referred to as “Seller,” and SBL Mortgages are referred to as “Mortgages.”

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

a. Preparing an underwriting package (12/14/23)

1. Due Diligence – Chain of Custody.

- A. All source documentation, due diligence and other underwriting documentation relating to the Property, the Borrower and the Borrower Principal(s) to be submitted as part of the underwriting package as set forth in this chapter (other than Freddie Mac required third-party reports) must be delivered directly to the Seller/Servicer by the Borrower and/or the Borrower Principal or the member, partner, director or employee of the Borrower or Borrower Principal’s firm authorized to deliver such documentation on behalf of the Borrower or Borrower Principal.
- B. By submission of the underwriting package to Freddie Mac, Seller/Servicer will be deemed to represent and warrant to Freddie Mac that it has complied with the due diligence and underwriting documentation chain of custody requirement.

2. Documentation Delivery. 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.

- A. The Seller must obtain wire transfer instructions from the *Applicable Freddie Mac Multifamily Regional Office*.
- B. 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.
- C. 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. Preparing documentation required for a Transfer of Ownership (06/29/17)

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

c. Notification requirements regarding updates to the underwriting package (02/16/23)

The Seller/Serviceicer must notify the Freddie Mac personnel primarily responsible for the underwriting of a Mortgage if there is new or revised documentation following Rate Lock. The mere delivery of documentation to Freddie Mac or inaction by Freddie Mac after receipt of documents will not constitute an approval of such documents or for any change or modification to, or waiver of, any requirements of the Letter of Commitment or the Guide.

d. Ability to request additional information (04/13/23)

Notwithstanding the documentation requirements in Chapter 55SBL.2, Freddie Mac reserves the right to request any document identified in Chapter 55SBL.2 from any Borrower Principal.

55SBL.2 Requirements for documents contained in the underwriting package or documents relating to a Transfer of Ownership (10/19/23)

[a](#) [b](#) [c](#) [d](#) [e](#) [f](#) [g](#) [h](#) [i](#) [j](#) [k](#) [l](#) [m](#) [n](#) [o](#) [p](#) [q](#) [r](#) [s](#) [t](#) [u](#) [v](#) [w](#) [x](#) [y](#) [z](#)

Document	Requirements
Access easement and Essential Facilities and/or Recreational Facilities easement documentation	<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<ul style="list-style-type: none">○ Documentation in accordance with Section 8SBL.6○ A PLIM, if required by Freddie Mac○ A copy of the survey if required for the Mortgage and photographs showing the location of the access easement and signage, if applicable○ An opinion from a land use attorney acceptable to Freddie Mac, if requested by Freddie Mac• 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



Document	Requirements
	<ul style="list-style-type: none"> Documentation in accordance with Section 8SBL.6 A PLIM, if required by Freddie Mac See also “confirmation of or a request for approval of shared facilities or access.”
Aged Receivables Report	<p>The Seller must review and submit to Freddie Mac a report which displays tenant outstanding balances (including any subsidies) and duration (typically reflected as 30, 60, and 90+ day periods), including a cumulative total. The report should be dated as of the ending T-12 period for the current property financial statement submitted and must be certified by the Borrower via the Blanket Certification as complete and accurate.</p> <p>Freddie Mac may require additional reports, over monthly intervals, in order to better assess changes in delinquencies and income collection over time.</p> <p>See the Blanket Certification referenced below for instructions on preparing the certification of the Aged Receivables Report.</p>
Appraisal	<p>The Seller must provide Freddie Mac with a full Appraisal of the Property that meets the requirements of Chapter 60, including all conditions specified in the Additional Appraisal Requirements Memorandum.</p> <p>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>
Blanket Certification for property financial statements and rent rolls	<p>The property financial statements, Aged Receivable Report(s), and the rent rolls must be certified through a Blanket Certification, which must bear the 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>



Document	Requirements
	<p>Current financial statement due dates: _____</p> <p>Borrower's budget financial statement dates: _____</p> <p>Aged Receivables Report dates: _____</p> <p>Rent roll dates: _____</p> <p>Borrower: _____</p> <p><u>[Signature]</u> _____</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>Borrower Certificate and Key Borrower Principal Certificate, Form(s) 1115 – SBL</p>	<p>If any Borrower or Key Borrower Principal is organized as of the date of submission of the applicable package, the Seller must provide Freddie Mac with a Form 1115 - SBL, Borrower Certificate and Form 1115 - SBL, Key Borrower Principal Certificate, executed by each individual Borrower or Key Borrower Principal, as applicable.</p> <p>Form(s) 1115 - SBL requests certification of the following information from Borrowers and Key Borrower Principals:</p> <ol style="list-style-type: none"> 1. Past mortgage payment and default experience 2. History of criminal, administrative, and/or litigation proceedings <p>Each Certificate must be dated not more than 60 days prior to the date the Seller submits the underwriting package to Freddie Mac ("Submission Date").</p> <p>For entities where the TIN is not yet available as of the date of this certification, an IRS Form W-9 is permitted as an alternative to resubmitting the Form(s) 1115. The W-9 must be submitted as soon as it is available (ideally with submission of the full underwriting package) but no later than the Origination Date.</p>



Document	Requirements
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>
Calculation of prepayment premium	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.
Capital improvement documentation	<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
Certification — Organizational Chart, Form 1114	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 .
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>



Document	Requirements
	<p>The Seller must provide a completed Commercial Lease Analysis and Estoppel – SBL for each lease. If the 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, Seller must have the tenant execute the estoppel portion of the Commercial Lease Analysis and Estoppel – SBL.</p> <p>The Commercial Leases Analysis and Estoppel – SBL form is available at mf.freddiemac.com.</p> <p>See Section 8SBL.11 for commercial lease SNDAs and subordinations; see Section 8SBL.2(b) for commercial use requirements.</p>
Complete Borrower/Key Borrower Principal Due Diligence Package	<p>A Complete Borrower/Key Borrower Principal Due Diligence Package consists of Form 1115 - SBL, Borrower Certificate, and Form 1115 - SBL, Key Borrower Principal Certificate, as applicable; Form 1116, Real Estate Schedule; certified current financial statements for the Borrower and Key Borrower Principals and a credit report for Borrowers and Guarantors that are individuals. It is submitted as part of the underwriting package to Freddie Mac.</p>
Condominium Analysis	<p>If the Property is subject to a condominium regime, the Seller must confirm in the Mortgage Transaction Narrative Analysis that the Borrower owns 100 percent of the real property that is subject to the Condominium regime.</p>
Confirmation of compliance or a request for approval of shared facilities or access	<p>If any on-site or off-site facilities or access are shared and if Freddie Mac requests a PLIM, the Seller must submit in a PLIM a confirmation that any such sharing arrangement meets the requirements of Section 8SBL.6.</p>
Credit reports	<p>The Seller must provide to Freddie Mac a current credit report on each Borrower and each Guarantor 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



Document	Requirements
	<ol style="list-style-type: none"> Be issued by an independent credit reporting agency acceptable to Freddie Mac Be dated within 60 days before delivery to Freddie Mac Verify debts listed on the financial statement submitted with the full underwriting package, including terms, balances and ratings List any other debts List all legal actions that involve the Borrower or Guarantor and are disclosed by a search of public records Include FICO scores for Borrowers and Guarantors
Current property financial statements	See “ property financial statements .”
Delegated property inspection letter	See “ property inspection documentation .”
Document analysis by Single Counsel	The Seller must provide an analysis by Single Counsel of certain legal documents affecting the Property, as described in Section 6SBL.10.
Equity Conflict of Interest statement	<p>If an Equity Conflict of Interest exists, as defined in Section 2.25, the Seller/Servicer must disclose the nature and extent of the conflict in writing to Freddie Mac as follows:</p> <ul style="list-style-type: none"> With the full underwriting package, or For Transfers of Ownership, including Transfers of Ownership occurring in conjunction with the origination of a Supplemental Mortgage, to <i>Multifamily Asset Management, Borrower Transactions</i>
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/Servicer Certification of Insurance Coverage, via the Insurance Compliance Tool (ICT)



Document	Requirements
	<ul style="list-style-type: none"> 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>
Evidence of Tax Abatement	<p>For Properties benefiting from real estate tax abatements, the Seller must provide a completed Tax Abatement/Exemption Analysis – SBL and documentation from the taxing authority or the governing body 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 Analysis - SBL for additional details concerning the documentation to be provided in the underwriting package for all tax abatements.</p> <p>The Tax Abatement/Exemption Analysis - SBL is found on the legal document pages of mf.freddiemac.com.</p>
Financial statements of Borrower and Key Borrower Principals – certified	<p>The Seller is required to submit to Freddie Mac financial statements from the Borrower and any Key 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 Key Borrower Principal Federal income tax returns for the Borrower for the most recent taxable year, if requested



Document	Requirements
	<p>NOTE: Freddie Mac may require additional financial statements or federal income tax returns for the three most recent taxable years from the Borrower and each Key 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 Key Borrower Principal's financial position immediately or during the term of the Mortgage <p>The Seller must review the Borrower financial statements. Financial statements for which Freddie Mac requires certification must be certified in Form 1115 - SBL, Borrower Certificate and Form 1115 - SBL, Key Borrower Principal Certificate, as applicable, executed by an individual who is authorized to legally bind the Borrower or Key Borrower Principal.</p> <p><u>Non-profit Borrower or Key Borrower Principal</u></p> <p>If the Borrower or Key Borrower Principal is a non-profit, the Seller must identify whether the non-profit Borrower's or Key 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(a)
Ground lease documentation	<p>For a Property subject to a ground lease, the Seller must provide to Freddie Mac all the following, with a copy of each to the applicable Single Counsel (see Chapter 30).</p> <ul style="list-style-type: none"> • A copy of the ground lease and all existing amendments • A summary by Single Counsel of any items from the Ground Lease Analysis form (available at mf.freddiemac.com/lenders/legal) that are not satisfied and the risks associated with each non-compliant item • Written confirmation that the fee owner is willing to execute the Security Instrument to encumber its interest • Any other items required by Chapter 30
Historical property financial statements	See “ property financial statements .”
Housing Assistance Payments (HAP) contract -- Local	<p>The Seller must provide, if applicable:</p> <ul style="list-style-type: none"> • Copies of the original contract along with all amendments and renewals, including evidence of the currently applicable unit rents approved by the local administering agency • Summary of the contract terms by Single Counsel (see the Section 8 Housing Assistance Payments Contract Questionnaire, available at mf.freddiemac.com, for guidance) <p>See “rent, income and use restriction documentation.”</p>
Land Use Restriction Agreement (LURA)/ regulatory agreement	A copy of the applicable regulatory agreement imposing tenancy, occupancy and other operating and use restrictions on the Property, along with a Regulatory Agreement Questionnaire – SBL (available at mf.freddiemac.com/lenders/legal).



Document	Requirements
	See also “ rent, income and use restriction documentation .”
Low-Income Housing Tax Credit (LIHTC) allocation and certification documentation	<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>
Management plan or management agreement	<ul style="list-style-type: none"> • The Seller 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 Key Borrower Principal, the Seller must review the Borrower’s management plan. • If a management firm is managing the Property, the Seller must review a copy of the management agreement for the Property. • The management 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.
Mortgage transaction narrative analysis	The Seller must provide to Freddie Mac a mortgage transaction narrative analysis, which (at the Seller's option) may be based



Document	Requirements
	<p>on the Mortgage Transaction Narrative Analysis – Best Practices.</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 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 Key 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 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)



Document	Requirements
	<p>11. Loan history if there is an existing mortgage on the Property</p> <p>12. Proposed sources and uses of funds</p> <p>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)</p> <p>14. Cash equity at risk</p> <p>15. Refinance Analysis on SBL Mortgages that are refinances exceeding the existing unpaid principal balance</p> <p>16. Any exception requests</p> <p>The mortgage transaction narrative analysis may also include the property inspection documentation described in Section 8SBL.15(a), as applicable.</p> <p><u>In addition to items 1 – 16 above, for a Mortgage securing a Property subject to a condominium regime:</u></p> <p>See “Condominium Analysis.”</p>
<p>Organizational Charts – Borrower, Guarantor (not in Borrower’s organizational structure), or Pre-Approved Transferee</p>	<p>For any entity that is a Borrower, or a Guarantor not in the Borrower’s organizational structure, Pre-Approved Transferee not in the Borrower’s organizational structure, 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 the Borrower’s organizational structure, Pre-Approved Transferee not in the Borrower’s organizational structure, including beneficial interests in a Delaware Statutory Trust or Illinois Land Trust • That is a Non-U.S. Equity Holder • For Pre-Approved Transferees, all individuals and entities with direct or indirect Control of the Pre-Approved Transferee, and all individuals and entities with direct and indirect Control of the Borrower after the proposed transfer



Document	Requirements
	<ul style="list-style-type: none"> That directly or indirectly Controls Borrower, Guarantor not in Borrower's organizational structure, Pre-Approved Transferee not in the Borrower's organizational structure, 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>Single Counsel must review the Organizational Chart.</p> <p>See Guidance – Organizational Charts at mf.freddiemac.com/lenders/uw.</p>
Payroll schedule	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.
Physical Risk Report	See <i>SBL Physical Risk Report</i> , Form 1104 .
Preliminary legal issues memorandum (PLIM)	The Seller must submit to Freddie Mac a preliminary legal issues memorandum meeting the requirements of Section 6SBL.7, if required for a specified issue.
Property financial statements	<p>The Seller must provide to Freddie Mac financial statements for the Property as follows:</p> <ul style="list-style-type: none"> Historical property financial statements <p>The Seller/Service must submit a certified operating statement that includes the prior three full years. However, if a Year 3 statement is not available, the Seller/Service must submit</p> <ul style="list-style-type: none"> Year 1 back statement, and Year 2 back statement, if available



Document	Requirements
	<ul style="list-style-type: none"> ○ Current property financial statements (T-12 format or YTD) Freddie Mac strongly prefers the Seller/Servicer to submit a T-12 operating statement. However, if a T-12 operating statement is not available, the Seller/Servicer must submit a YTD statement. ○ Monthly Collections Six months trailing monthly property collections are required if the loan request is a refinance. Three months trailing monthly property collections are required if the loan request is an acquisition. ○ 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, if available. The Seller must review the property financial statements, which must include income and expense statements. See the Blanket Certification for instructions on preparing the certification of the property financial statements. If the financial statements are audited, they must include a statement of changes in financial position and all notes.
Property inspection and Lease Audit documentation	<p>At full underwriting, the Seller must complete and document the property inspection described in 8SBL.15.</p> <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>If the Seller inspection is not on the same day as the inspection for either the Appraisal and/or the Physical Risk Report, the</p>



Document	Requirements
	<p>Seller must compare the observations from all other inspections to ensure all information is consistent.</p> <p>See Section 8SBL.15 for additional information regarding property inspection requirements.</p>
Purchase agreement documentation	<p>For acquisition loans, the Seller must submit to Freddie Mac:</p> <ul style="list-style-type: none"> • A copy of the purchase agreement and all amendments • An analysis of the purchase agreement and all amendments by Single Counsel using the Purchase Agreement Analysis form <p>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.</p>
Real Estate Schedule, Form 1116	<p>The Seller must provide to Freddie Mac a Form 1116, Real Estate Schedule, for all real estate in which any Key Borrower Principal that is not newly formed currently has a direct or indirect interest.</p> <p>The Real Estate Schedule must be dated within 180 days from the date of submission of the underwriting package and certified by the Key Borrower Principal as complete and accurate.</p> <p>The Key Borrower Principal must:</p> <ul style="list-style-type: none"> • Identify properties with loans with potential recourse obligations beyond customary non-recourse carveouts, including the following: <ul style="list-style-type: none"> ○ The full recourse obligation to the lender, including the entire amount of joint and several guarantees ○ For loans on properties under construction, the loan amount drawn to date and the as-is value • Provide a written explanation of any non-performing assets in its portfolio



Document	Requirements
	<ul style="list-style-type: none"> State whether the Key Borrower Principal owns other properties in the market where the Property is located
Real estate tax bill	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.
Registration of rental units (rent regulation/rent control/stabilization)	The Seller must provide to Freddie Mac proof of compliance with applicable State or local requirement for the registration of rents in New York, 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 in other States.
Rent, income and use restriction documentation	<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 LIHTC) Low-Income Housing Tax Credit (LIHTC) allocation and certification documentation Housing Assistance Payments (HAP) - Local contract Registration of rental units (rent control/stabilization)
Refinance Analysis	<p>If applicable, the following documentation may be required for SBL Mortgages that are refinances exceeding the existing unpaid principal balance.</p> <ul style="list-style-type: none"> Refinance Analysis Three months of bank statements showing rental deposits Rent roll verifying net residential income (NRI) growth Evidence of capital expenditures completed or construction, including:



Document	Requirements
	<ul style="list-style-type: none"> ○ Photos ○ Schedule of completion ○ Paid receipts/contracts ○ Building permits ○ Post-completion inspection reports ○ Additional evidence required by Lender
Rent roll	<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 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: <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 6. Identification of any employee units, model units, corporate 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
Residential lease sample	<p>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.</p>



Document	Requirements
SBL Physical Risk Report – Form 1104	Seller must provide to Freddie Mac a completed Form 1104, SBL Physical Risk Report , meeting the requirements of Chapter 62SBL.
Seismic risk documentation	If a Property is 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 64SBL.2(b), as applicable. If a Level 1 SRA is required the Seller must also provide to Freddie Mac Form 1102, Seismic Risk Assessment Summary .
Seller's mortgage loan application with Borrower	<p>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.</p> <p>The mortgage loan application must include the following authorization by the Borrower:</p> <p>“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 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>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.”



Document	Requirements
Seller's pro forma property financial statements	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.
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>For SBL Mortgages that are refinances exceeding the existing unpaid principal balance, the sources and uses must include the existing debt and prepayment premiums or penalties associated with the existing loan payoff. Verification to support this request is required and can be in the form of a mortgage payoff or mortgage statement.</p>
Student Housing Questionnaire, Form 1120	The Seller must submit to Freddie Mac a completed and executed Form 1120, Student Housing Questionnaire , for each Property where the concentration of graduate and undergraduate Students is greater than 25 percent.
Verification of Collections, Form 1144	The Seller must provide to Freddie Mac Form 1144, Verification of Collections , completed and certified by the Borrower or Key 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.
Zoning documentation	See Section 8SBL.5 for complete requirements.