



Definitions

Borrower means the party obligated to repay the indebtedness secured by the Property. The Borrower must, in Freddie Mac's judgment, have sufficient financial, operational and management capacity. Acceptable Borrowers are described in Section 9SBL.2 of the *Multifamily Seller/Service Guide*.

Control means the power to manage, control or direct the decisions of an entity.

Conviction means any (a) judgment or any other determination of guilt of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or plea; or (b) any other resolution that is the functional equivalent of a judgment of guilt of a criminal offense, including probation before judgment and deferred prosecution. This includes nolo contendere (no contest) pleas, Alford pleas, and pardons not resulting in an expungement of the conviction. A disposition without the participation of a court is the functional equivalent of a judgment only if it includes an admission of guilt. Previous convictions that have been expunged by the date of this Certificate will not be considered Convictions for purposes of completing this Certificate.

Guarantor means any person or entity who signs the Guaranty to evidence that it will be liable for recourse events for the Mortgage.

Key Borrower Principal means individuals or entities as defined in the *Multifamily Seller/Service Guide*.

Pre-Approved Transferee means any person or entity that is pre-approved by lender to assume Ultimate Control (direct or indirect) of Borrower

Related Entity means an entity (other than Borrower) in which the applicable Key Borrower Principal has (1) Control, or (2) an aggregate direct or indirect equity ownership of 50% or more.

Ultimate Control means ultimate persons or entities that have Control (direct or indirect) of an entity. A party with Ultimate Control must be one of the following:

- An individual,
- Private Investment Fund as defined in the *Multifamily Seller/Service Guide*,
- A revocable trust (including the settlor/grantor and trustee of the revocable trust), or
- A U.S. public company (U.S. publicly traded entity).

Instructions

Each Borrower must complete and sign a separate Borrower Certificate SBL, Form 1115SBL ("Borrower Certificate").

Each Certificate must be dated not more than 60 days prior to the date lender submits the underwriting package to Freddie Mac ("Submission Date").

Any Borrower that is formed after the date of this Certificate must provide a new Certificate as soon as possible after its formation. Please consult lender if you have any questions concerning this Certificate.

Each Borrower must complete the Borrower Certificate SBL, Form 1115SBL and certify the accuracy of each answer and any explanations provided in *Schedule - Borrower*.

In this Certificate, each Borrower must also certify the accuracy of each of the following documents if the documents are required by lender:

- Borrower completed Real Estate Schedule, Form 1116 ("Real Estate Schedule"), which is delivered to lender as a separate spreadsheet (typically in Excel format) and lists all real estate projects for which it has an ownership interest as a borrower or a Key Borrower Principal.
- Borrower's completed financial statement ("Financial Statement"), which is delivered to lender as a separate document and lists all of Borrower's income, assets, and liabilities.

Refer to the Key Borrower Principal Certificate SBL, Form 1115SBL ("Principal Certificate") for applicable parties.

Property Information

For the Property that will secure the proposed loan, please provide:

Name of Property

Street Address

City

County

State

Zip Code

Name of current lender or N/A:

Title is or will be held: ☐ Fee Simple ☐ Leasehold (attach copy of ground lease) ☐ Other (attach explanation)

Is the Property a Co-op?

☐ Yes ☐ No

Is the Property a Condominium?

☐ Yes ☐ No

If "Yes," does Borrower own 100% of the Condominium units?

☐ Yes ☐ No

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Borrower and Property Information and Certification

If you are submitting this Certificate as or on behalf of Borrower, complete all Sections of *Schedule - Borrower*, if applicable.

Section A: General Borrower Information

Name of Borrower

Street Address

City

County

State

Zip Code

Is Borrower an individual living outside the U.S.?

☐ Yes ☐ No (If yes, please contact lender)

Is Borrower a trust or other investment vehicle controlled by or created on behalf of an Individual Retirement (IRA), pension fund, or other retirement investment fund?

☐ Yes ☐ No (If yes, please contact lender)

Select the type of Borrower from the following:

If Borrower is an entity, complete the following:

Tax ID Number:

State of formation:

If Borrower owns the Property as a co-tenant or tenant-in-common, what percentage of the Property does Borrower own? _____ %

Choose one of the following:

- ☐ Borrower is an individual or a revocable trust.
- ☐ Borrower is an entity and **does not** own any real or personal property other than the Property and personal property related to the ownership and maintenance of the Property. Borrower is a Single Asset Entity (SAE).
- ☐ Borrower is an entity and **does** own real or personal property **other than** the Property and personal property related to the ownership and maintenance of the Property. Borrower is a Multiple Asset Entity (MAE).

Section B: Additional Borrower and Property Information

Answer all parts of each question and complete Schedule - Borrower as necessary. If a question is not applicable, select "No" as answer.

1. Questions regarding criminal activity

- a. At any time prior to the date of this Certificate, has Borrower been subject to a claim in any litigation or other proceeding (even if such claim has been settled) relating to (i) fraud, breach of fiduciary duty, breach of trust, or other similar claim, or (ii) money laundering, terrorist financing, terrorism or other similar claim, or been investigated by any governmental agency in connection with such a claim?

☐ Yes ☐ No (If Yes, complete Schedule - Borrower, Item 1a)

- b. Within the past 10 years prior to the date of this Certificate, has Borrower ever been Convicted of a felony, or is Borrower presently, to your knowledge, the subject of a complaint or indictment charging a felony?

☐ Yes ☐ No (If Yes, complete Schedule - Borrower, Item 1b)

2. Questions regarding credit events within the past 10 years prior to the date of this Certificate

- a. Has Borrower been in default, involved in a foreclosure or been given relief by any lender, including Freddie Mac (i.e., by modification, workout, forbearance) under the terms of any mortgage loan, mezzanine loan, contract for deed or similar arrangement?

☐ Yes ☐ No (If Yes, complete Schedule - Borrower, Item 2a)

- b. Has Borrower been the subject of bankruptcy or insolvency proceedings?

☐ Yes ☐ No (If Yes, complete Schedule - Borrower, Item 2b)

- c. Has Borrower been a guarantor (including a recourse carve-out guarantor) of a loan where the lender tried to recover, made a demand or otherwise enforced their rights under the guaranty (even if lender was not successful)?

☐ Yes ☐ No (If Yes, complete Schedule - Borrower, Item 2c)

3. Questions regarding regulatory compliance and litigation

- a. Within the past 10 years prior to the date of this Certificate, has Borrower been suspended, barred or otherwise restricted by any department or agency of the federal government or any state government from doing business with such department or agency?

☐ Yes ☐ No (If Yes, complete Schedule - Borrower, Item 3a)

- b. Within the past 10 years prior to the date of this Certificate, has Borrower been (i) the subject of an adverse ruling or finding in any criminal or civil proceeding instituted by any regulatory or governmental agency, regardless of appeal status, (ii) a party to a settlement that required an admission of guilt or liability, or the payment of a fine by Borrower in any criminal or civil proceeding instituted by any regulatory or governmental agency, regardless of appeal status, or (iii) otherwise under investigation by any governmental agency for a criminal or civil violation?

☐ Yes ☐ No (If Yes, complete Schedule - Borrower, Item 3b)

- c. As of the date of this Certificate, to your knowledge, is Borrower involved in any pending or current criminal or civil proceeding instituted by any governmental agency, or otherwise under investigation by any governmental agency for a criminal or civil violation?

☐ Yes ☐ No (If Yes, complete Schedule - Borrower, Item 3c)

- d. Within the past 10 years prior to the date of this Certificate, other than building code violations, has the Property been cited for any violations or investigated by any regulatory or other governmental agency (including any agency having oversight over environmental matters)?

☐ Yes ☐ No (If Yes, complete Schedule - Borrower, Item 3d)

- e. Within the past 10 years prior to the date of this Certificate, have there been any judgments against Borrower or the Property?

☐ Yes ☐ No (If Yes, complete Schedule - Borrower, Item 3e)

- f. Is Borrower subject to any unsatisfied (as to payment or performance) settlements or judgments, regardless of the appeal status of any related claims or counterclaims?

☐ Yes ☐ No (If Yes, complete Schedule - Borrower, Item 3f)

- g. As of the date of this Certificate, is Borrower named as a defendant in a lawsuit or otherwise subject to any other claims (including counterclaims) where the potential settlement, judgment, or other resolution would not be eligible to be fully paid by insurance (not including deductibles)?

☐ Yes ☐ No (If Yes, complete Schedule - Borrower, Item 3g)

4. Questions regarding Borrower structure

- a. If the Borrower is an entity, as of the date of this Certificate, is there any financing secured by direct or indirect ownership interests in Borrower or any pledges of any direct or indirect interests in Borrower?

☐ Yes ☐ No (If Yes, complete Schedule - Borrower, Item 4a)

- b. As of the date of this Certificate, do any direct or indirect Controlling interests in the Borrower, or any interests which could assume a direct or indirect Controlling interest in the Borrower, consist of capital raised from marketing directed to the public at large (whether via the internet or otherwise) for investment in one specific property under the exemptions provided under Title III or Title IV of the Jumpstart Our Business Startups (JOBS) Act?

☐ Yes ☐ No (If Yes, complete Schedule - Borrower, Item 4b)

Section C: Certification of Borrower

To induce the lender to make the loan requested by Borrower, I hereby certify [check applicable capacity]

☐ for myself, or

☐ on behalf of the undersigned entity

(1) that if Borrower is an entity, I am a duly authorized representative and (2) that each of the statements made in this Certificate and all information provided on each of the attached documents below are true, complete and correct to the best of my knowledge and belief, and are made in good faith, and I represent that the Property will not be used for any illegal or restricted purposes.

- Schedule - Borrower
- Real Estate Schedule (if applicable). Further, the Real Estate Schedule contains a complete listing of all income producing real estate properties in which the undersigned is now involved, and except as shown on this Schedule, the undersigned is not involved in any other real estate which is expected to produce a net negative cash flow over the next 12 months.
- Financial Statement (if applicable).

By electronically signing this Form on behalf of my company, I hereby certify and agree that I have confirmed that my company has determined that my Electronic Signature complies with the requirements in Guide Section 2.14, and that my Electronic Signature on this Form shall be as binding, valid and enforceable as my original written signature on a paper original of this Form.

Name of Borrower

Authorized Signature

Date

Typed Name of Signer

Title of Signer (if Borrower is an entity)

Schedule - Borrower: Additional Borrower Information Supplement

Item 1a (Question 1a): For each claim and/or proceeding and/or investigation, provide

- Date of filing
- Location of case
- Nature of claim or proceeding
- If under investigation by a governmental agency, provide name of agency
- Status of case
- Attach paper copy of any final decision or settlement agreement

Item 1b (Question 1b): A felony is defined as any offense punishable by imprisonment for a term exceeding one year but does not include any offense classified as a misdemeanor under the laws of a state and punishable by imprisonment of two years or less. For each qualifying felony offense, provide

- Date of Conviction, complaint and/or indictment
- Nature of Conviction, complaint and/or indictment (together with detailed description of circumstances that gave rise to the Conviction, complaint and/or indictment)
- Location of Conviction, complaint and/or indictment
- Status of Conviction, complaint and/or indictment
- If resolved, describe resolution

Item 2a (Question 2a): For each loan, list

- Project name and address
- Loan amount
- If with Freddie Mac, provide Freddie Mac loan number
- Type and source of financing and any subsidy
- Full description of default, mortgage relief (modification, workout, forbearance) or foreclosures
- Current status (if resolved, describe resolution)

Item 2b (Question 2b): For each bankruptcy or insolvency proceeding, provide

- Date of filing
- Location of case
- Type of case (e.g., Chapter 7, 11, 13)
- Disposition of case and date of disposition (attach a paper copy of discharge to form)
- Evidence that debts not discharged in the proceeding have been paid
- Explanation of circumstances resulting in the filing of the petition

Item 2c (Question 2c): For each recovery, demand or other type of enforcement proceeding under any guaranty, provide

- Name of Lender
- Date that the loan was made, the address of the property and amount of loan
- Was the demand against guarantor full recourse or loss or damage
- What was recourse event that gave rise to the demand
- Detailed description of claim made against guarantor
- If guarantor and lender have entered into a settlement:
 - Conditions of settlement (i.e., describe settlement agreement)
 - If there is an outstanding judgment, your plan for payment and satisfaction
- If not settled, provide status

Item 3a (Question 3a): For each governmental proceeding, provide

- Name of agency or government department
- Date of proceeding
- Description of nature of proceeding
- Resolution of proceeding
- Attach a paper copy of any final decision or findings to form

Item 3b, 3c, 3d (Question 3b, 3c, 3d): For each proceeding, violation, or investigation, provide

- Date of proceeding, violation, or investigation
- Nature of proceeding, violation, or investigation
- Agency that issued the proceeding/violation or performed the investigation
- Status of proceeding, violation, or investigation
- If resolved, describe resolution and/or remediation

Item 3e (Question 3e): For each judgment, provide

- Date and amount of judgment
- Name of Judgment Debtor
- Action that gave rise to the judgment
- Whether the judgment has been satisfied/discharged
- If satisfied/discharged, conditions of discharge/settlement (i.e., describe settlement agreement)
- If there is an outstanding judgment, your plan for payment and satisfaction

Item 3f (Question 3f): For each qualifying litigation matter, provide

- Date of filing
- Location of case
- Type of case (e.g., negligence, tort, etc.)
- Status of case
- Any outstanding amounts from settlements or judgments

Item 3g (Question 3g): For each qualifying litigation matter, provide

- Date of filing
- Location of case
- Type of case (e.g., negligence, tort, etc.)
- Status of case
- Amount of damages claimed

Item 4a (Question 4a): Provide a detailed description of the mezzanine financing or pledge, including the identity of the lender or pledgee and the amount/nature of the debt secured by the financing or pledge.

Item 4b (Question 4b): For each interest in Borrower for which the response to Question 4b is Yes, provide

- Name of entity
- Relationship of entity to Borrower
- Control relationship of entity to Borrower
- Circumstances under which entity may assume direct or indirect control of Borrower
- Percentage interest of entity in Borrower
- With respect to any marketing directed to the public at large, a description of such marketing and how the marketing was conducted