



# PRS Desk Reference Guide

## PRS CREFC® Desk Reference Guide



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## Table of Contents

INTRODUCTION.....	4
Note .....	4
SUBMISSION PROTOCOL .....	4
GENERAL GUIDANCE .....	6
Freddie Mac CREFC OSAR/NOIWS Guidance .....	6
Template Overview.....	6
NOIWS TAB .....	6
Property Overview .....	6
Income and Expense Section.....	7
CREFC Line Item Guidance .....	8
OSAR TAB .....	13
Property Overview .....	13
Income and Expense Section.....	14
ASSESSMENT TYPE, ATTACHMENT REQUIREMENTS, NAMING CONVENTIONS, AND DUE DATES .....	16
SUBMISSION REQUIREMENTS .....	16
Quarterly Reporting .....	16
Annual Reporting.....	17
Additional Reporting Requirements.....	17
A-CREFC Addendums File Naming Conventions .....	17
Q-CREFC Addendums File Naming Conventions .....	18
RESOURCES .....	18

## INTRODUCTION

Freddie Mac Multifamily has been working to standardize its servicing requirements to align with and establish industry standards. As part of this effort, Freddie Mac Multifamily adopted the use of standardized Property Operating Performance Reports per the CREFC Investor Reporting Package (“IRP”) for collecting property operating performance data. Freddie Mac is also requesting our Primary and/or Sub-Servicers to submit these reports through our Property Reporting System (“PRS”) for: 1) loans still on Freddie Mac’s balance sheet and 2) securitized loans in which Freddie Mac is the Master Servicer. Specifically, Freddie Mac is requesting the Operating Statement Analysis Report (“OSAR”) and NOI Adjustment Worksheet (“NOIWS”) for Multifamily and Healthcare property types. Using the existing CREFC IRP OSAR and NOIWS, Freddie Mac has created two (2) template types for Multifamily and Senior Housing properties, templates are named CREFC-MF and CREFC-HC respectively. Each template contains both the OSAR and NOIWS forms and will be submitted through PRS. This desk reference highlights the submission protocols, template submission requirements, and guidelines on how to complete the forms to ensure pertinent information on property performance is communicated appropriately.

### Note

This desk reference should be used in conjunction with the **CRE Finance Council - Investor Reporting Package**, which provides guidance, helpful tips, and best practices on CREFC standard forms/reports. If there are any conflicts in protocol between the CREFC Introductory Guide and Freddie Mac’s Guide requirements, **Freddie Mac’s Guide requirements take priority**. This document is an extension of the Guide.

The below listed templates are available for download in PRS as either a blank template or a pre-populated template. As these templates contain minor variations from the standard CREFC forms and contain coding necessary for PRS consumption, when submitting through PRS, you must submit a template downloaded directly from PRS.

Template	Submission	Property Type
<b>A-CREFC-MF</b>	Annual Reporting	Multifamily
<b>A-CREFC-HC</b>	Annual Reporting	Healthcare/Senior Housing
<b>Q-CREFC-MF</b>	Quarterly Reporting	Multifamily
<b>Q-CREFC-HC</b>	Quarterly Reporting	Healthcare/Senior Housing

## SUBMISSION PROTOCOL

Steps	Comments
<b>Quick Start Guide</b>	<p>For successful completion of CREFC templates and submission to PRS, observe the following quick start guide:</p> <ul style="list-style-type: none"> <li>The forms must be downloaded from PRS. Once downloaded, users must enable Macros in Excel for the form to work properly. (See instructions for Excel 2007 here: <a href="http://office.microsoft.com/en-us/help/enable-or-disable-macrosin-office-documents-HA010031071.aspx">http://office.microsoft.com/en-us/help/enable-or-disable-macrosin-office-documents-HA010031071.aspx</a>)</li> <li>The templates are to be completed and stored on your local machine, file server, or document management system (depending</li> </ul>

Steps	Comments
	upon local IT policies and procedures). Upon successful completion, the completed forms can be uploaded into the PRS system.
<b>Retrieve CREFC Form</b>	<p>Within PRS, you have the option of downloading a blank CREFC or a prepopulated form. When you download a pre-populated form, the system will populate the following data fields, where applicable:</p> <ul style="list-style-type: none"> <li>• Freddie Mac Loan Number</li> <li>• Pty ID (system will populate prospectus #)</li> <li>• Property Name</li> <li>• Property Address</li> <li>• Year Built</li> <li>• At Contribution information</li> <li>• Prior year-end information (if prior year-end has been submitted on a CREFC template)</li> </ul>
<b>Understanding the Revised CREFC Form</b>	Always enable the macro and Active X controls before using the template. Refer to the General Tips for Using the CREFC OSAR and NOIWS report provided by CRE Finance Council.
<b>Complete the CREFC Form</b>	<p>The <b>CREFC template</b> is an Excel based workbook that contains two (2) worksheets displaying property level information:</p> <ul style="list-style-type: none"> <li>• The NOIWS reports and explains adjustments made to the Borrower’s actual operating statement to “normalize” or “annualize” the performance data.</li> <li>• The OSAR is a property level report that compares the Borrower’s current financial information to the three (3) preceding annual periods and underwriting (“At Contribution”).</li> </ul> <p>In the template, Servicers are required to complete both the NOIWS and OSAR worksheets. Basic property information and the most recent available financial information entered in the NOIWS worksheet will automatically populate into the OSAR worksheet. If the underwriting “At Contribution” data is not available in the pre-populated template, Servicers can request Freddie Mac to update the underwriting “At Contribution” data (FM Underwriting) via email to the SBL (<a href="mailto:MF_Master_Servicer_SBL@freddiemac.com">MF_Master_Servicer_SBL@freddiemac.com</a>) or Surveillance (<a href="mailto:MF_Surveillance@freddiemac.com">MF_Surveillance@freddiemac.com</a>) mailboxes. Servicers should provide historical annual performance information, where available.</p> <p>The main difference between the Multifamily (CREFC-MF) and the Healthcare (CREFC-HC) templates are the Income and Expense line items specific to each property type.</p>
<b>Uploading the CREFC Form</b>	The CREFC template along with required attachments should be uploaded into PRS for the submission to be considered successful.
<b>Data Validation and Completeness Verification — Submitting the CREFC Package</b>	<p>The system will perform data validation and completeness verification at the time of upload:</p> <ul style="list-style-type: none"> <li>• Forms that do not pass the data validation and completeness verification will not be accepted and will be rejected for submission. Only forms that pass the data validation and completeness verification will be accepted by Freddie Mac. Incomplete forms or forms with incorrect data will be rejected by Freddie Mac and Servicers can view the reasons for rejection and upload failure in PRS at the time of submission.</li> </ul> <p>Attachments can be uploaded to the system before, concurrently, or after form submission. Assessments will not move to Complete status until all</p>

Steps	Comments
	required attachments have been uploaded. A Complete submission will move to Accepted status by the following business day.

## GENERAL GUIDANCE

The **CRE Finance Council - Investor Reporting Package** and Chapter 40 of the Seller/Service Guide provide comprehensive requirements on property financial performance reporting.

### Freddie Mac CREFC OSAR/NOIWS Guidance

The guidelines listed below are Freddie Mac’s expected responses on certain data fields. The list is not all encompassing of all data fields, rather it focuses on data fields which may need further explanation.

#### Template Overview

The CREFC templates mirror the existing CREFC IRP Multifamily and Healthcare OSAR and NOIWS. Freddie Mac made minor format changes, introduced two (2) new fields — *Financial Indicator* and *Number of Months* (“No. of Months” OR “Number of Mos.”) — to clarify reporting periods, and added formulas in calculation fields to facilitate consistency in reporting and minimize errors.

The template is locked down except for fields that need to be completed. Required fields are shaded purple and formula fields are shaded grey. Certain conditional required fields are not shaded but will display validation error messages upon upload if they remain incomplete. Templates will not be accepted until all required fields are completed. Refer to the Validation Requirements Document for the list of required/conditional required fields.

Some fields have suggested formats, which must be replaced with real data to avoid upload failures.

Certain entries made in the NOIWS tab will automatically populate the OSAR tab to avoid double entry of the same data. **As such, it is recommended that the NOIWS tab be completed BEFORE the OSAR tab.** These entries include:

1. Property and loan information displayed in the *Property Overview* section.
2. Most Recent Annual or Quarterly Income and Expense data displayed in the Normalized column.

## NOIWS TAB

The NOIWS tab is prepared to “normalize” the Borrower’s actual operating statement. The three (3) columns — Borrower Actual, Adjustments, and Normalized — report and explain any adjustments made to the Borrower’s actual operating statement for normalization. This worksheet shows the difference between the Borrower’s actual operating statement and the normalized operating statement. Refer to the Master Coding Matrix in the CREFC IRP for further guidance.

There are two (2) sections in the NOIWS tab — *Property Overview* and *Income and Expense*.

### Property Overview

The *Property Overview* section of the worksheet provides brief property and loan information. Data fields from this section will populate the *Property Overview* section of the OSAR.

Steps	Comments
<b>Freddie Mac Loan Number</b>	<ul style="list-style-type: none"> <li>Enter the Freddie Mac 9-digit loan number.</li> </ul>
<b>Property ID</b>	<ul style="list-style-type: none"> <li>Enter the Prospectus ID, if available. In the event the submission of the CREFC template is for one (1) of multiple properties/buildings securing the same loan, enter Prospectus ID followed by Property ID.</li> <li>If loan is not securitized, leave the field blank.</li> </ul>
<b>Note A/B/C - Scheduled Loan Balance</b>	<ul style="list-style-type: none"> <li>Enter the Ending Loan Balance for the property.</li> <li>Include Freddie Mac supplemental loan balances (including Freddie Mac K deal securitized) into Note B and C where applicable. If there are more than three (3) loans, combine the Ending Balances in Note C and report the breakdown of loan balances in the <i>Comments</i> section.</li> <li>For loans secured by more than one property, assign a Scheduled Loan Balance to each property based on the underwritten pro-rated portion.</li> </ul>
<b>Paid Thru Date</b>	<ul style="list-style-type: none"> <li>Enter last payment date.</li> </ul>
<b>Debt Outside Trust</b>	<ul style="list-style-type: none"> <li>Include any other debt outside the trust and provide details in the <i>Comments</i> section.</li> </ul>
<b>Current Net Rentable SF/Units/Pads/Beds</b>	<ul style="list-style-type: none"> <li>Typically reported as number of units or beds (Healthcare or Student Housing).</li> <li>Include unit of measurement (i.e., units, bed, etc.).</li> </ul>
<b>Year Built/Year Renovated</b>	<ul style="list-style-type: none"> <li>Enter Year Built and Year Renovated (where applicable).</li> </ul>
<b>Cap Ex Reserve (Annually)/per Unit, etc.</b>	<ul style="list-style-type: none"> <li>Per Loan Agreement, report the underwritten Replacement Reserve <b>Annual</b> (e.g., 12 months) Amount. Use step up amounts as applicable.</li> </ul>
<b>Statement Ending Date</b>	<ul style="list-style-type: none"> <li>Report ending date of Borrower's financial statement.</li> <li>Highlight off-cycle fiscal year ends in the <i>Comments</i> section.</li> </ul>
<b>Occupancy Rate (Physical)</b>	<ul style="list-style-type: none"> <li>Enter rent roll occupancy.</li> </ul>
<b>Occupancy Date</b>	<ul style="list-style-type: none"> <li>Enter rent roll date.</li> </ul>

## Income and Expense Section

Data entered in this section will populate either the "Preceding Year" or the "Most Recent" column depending on the option selected from the "Financial Indicator" drop down menu, which indicates if "Annual" or "Interim" numbers are reported.

Data Field	Guidance
<b>Financial Indicator</b>	<ul style="list-style-type: none"> <li>This is a data field added by Freddie Mac to the CREFC template to identify the reporting period of the operating information.</li> <li>Select from the following options: <ul style="list-style-type: none"> <li>Annual Reporting <ul style="list-style-type: none"> <li>Applicable Financial Indicator: <ul style="list-style-type: none"> <li>Annual – To be used for all annual (A-CREFC) submissions.</li> <li>Populates the Preceding Year column in the OSAR tab for fiscal year end reporting.</li> </ul> </li> </ul> </li> <li>Quarterly Reporting <ul style="list-style-type: none"> <li>Applicable Financial Indicators: <ul style="list-style-type: none"> <li>Trailing Twelve Months (TTM)</li> </ul> </li> </ul> </li> </ul> </li> </ul>

Data Field	Guidance
	<ul style="list-style-type: none"> <li>• Year-To-Date (YTD) Annualized</li> <li>• Year-To-Date (YTD) Normalized</li> <li>▪ Populates the Most Recent column in the OSAR tab for quarterly reporting.</li> </ul>
<b>Number of Months (“No. of Months”) Covered</b>	<ul style="list-style-type: none"> <li>• This is a data field added by Freddie Mac to the CREFC template to identify how many months are reflected on the operating statement.</li> <li>• Input the exact number of months included on the Borrower’s operating statement. For example,               <ul style="list-style-type: none"> <li>○ If Borrower reports 12 full months of data, enter 12.</li> <li>○ If Borrower reports 7 months of data that was annualized in the CREFC template, enter 7.</li> </ul> </li> </ul>
<b>Borrower Actual</b>	<ul style="list-style-type: none"> <li>• Complete the “Borrower Actual” column of the form per the Borrower’s operating statement except for fields that are formula driven and do not require entry (the formula driven fields are shaded grey). Utilize the Master Coding Matrix for guidance on coding.</li> <li>• Do <b><i>not</i></b> include eliminated items in the “Borrower Actual” column (e.g., Interest Income, Financing Fees, Loan Principal or Interest, etc.). However, line items that should not be specifically eliminated per CREFC guidelines should be included in the “Borrower Actual” column (e.g., Insurance Proceeds) and then adjusted out accordingly.</li> </ul>
<b>Adjustment</b>	<ul style="list-style-type: none"> <li>• Utilize the “Adjustment” column provided in the CREFC template to normalize OR annualize income AND expense amounts. For example:               <ul style="list-style-type: none"> <li>○ \$10,000 of the total \$1,000,000 coded as Base Rent was applicable to Prepaid Rent. Enter +\$1,000,000 in “Base Rent” in the “Borrower Actual” column and a -\$10,000 in the “Adjustment” column to denote that this income is removed.</li> <li>○ \$5,000 of the \$25,000 Other Income is detailed as Insurance Proceeds. Enter +\$25,000 in “Other Income” in the “Borrower Actual” column and a -\$5,000 in the “Adjustment” column to denote that this income is removed.</li> </ul> </li> <li>• Some coding adjustments do not need to be reflected in the “Adjustment” column. For example:               <ul style="list-style-type: none"> <li>○ \$5,000 of the total \$9,000 coded as Repairs and Maintenance was related to retiling the pool (extraordinary capital expense). Enter +\$4,000 in “Repairs and Maintenance” in the “Borrower Actual” column and a +\$5,000 in “Extraordinary Capital Expenditures” in the “Borrower Actual” column.</li> <li>○ \$120,000 of utility expenses included a netted amount of \$70,000 in utility reimbursements. Enter +\$190,000 in “Utilities” and +\$70,000 in “Other Income” in the “Borrower Actual” column.</li> </ul> </li> <li>• Provide comments on all adjustments made in the <i>Comments</i> or <i>Notes</i> section(s).</li> </ul>
<b>Normalized</b>	<ul style="list-style-type: none"> <li>• This is a formula driven column that will normalize line items based on the adjustments made in the “Adjustment” column.</li> </ul>

## CREFC Line Item Guidance

If there are any conflicts in protocol between the CREFC Introductory Guide and Freddie Mac’s Guide requirements, **Freddie Mac’s Guide requirements take priority.**

Data Field(s)	Source	Guidance
<b>Gross Potential Rent</b>	Actual amount reported on	<ul style="list-style-type: none"> <li>• If Borrower does not report Vacancy, enter net rental income in “Base Rent”.</li> </ul>



Data Field(s)	Source	Guidance
	operating statement.	<ul style="list-style-type: none"> <li>Classify loss/gain to lease and short-term premiums in “Gross Potential Rent” (or “Base Rent”, as applicable) and provide comments.</li> <li>Do not net apartment allowance or non-revenue units against “Gross Potential Rent”. These line items should be reported in “Payroll and Benefits” and “General and Administrative”, respectively.</li> </ul>
<b>Vacancy</b>	Actual amount reported on operating statement.	<ul style="list-style-type: none"> <li>Use negative dollar amounts.</li> <li>If Borrower reports Vacancy, include Concessions and Collection Loss/Bad Debt in “Vacancy”.</li> <li>If Borrower does not report Vacancy, include Concessions and Collection Loss/Bad Debt in “Base Rent”.</li> <li>Include Concessions and Collection Loss/Bad Debt breakdown in comments.</li> <li><b>Note:</b> This coding of bad debt in “Vacancy” differs from current CREFC requirements.</li> </ul>
<b>Base Rent</b>	Actual amount reported on operating statement.	<ul style="list-style-type: none"> <li>If no Vacancy is reported, only enter net rental income in “Base Rent”. <ul style="list-style-type: none"> <li>If there is data in the GPR, Vacancy Loss, and Base Rent fields (in any column), then the template will not be accepted.</li> </ul> </li> </ul>
<b>Private Pay/Medicare/Medical Aid</b>	Actual amount reported on operating statement.	<ul style="list-style-type: none"> <li>Include senior housing rents/fee components.</li> </ul>
<b>Nursing/Medical Income</b>	Actual amount reported on operating statement.	<ul style="list-style-type: none"> <li>Enter amount reported in operating statement.</li> </ul>
<b>Meals Income</b>	Actual amount reported on operating statement.	<ul style="list-style-type: none"> <li>Enter amount reported in operating statement.</li> </ul>
<b>Other Income</b>	Actual amount reported on operating statement.	<ul style="list-style-type: none"> <li>Other income should be likely to continue, common in the market, legal and related to property operations.</li> <li>Include commercial income net of vacancy/collection losses in “Other Income” and provide details in comments.</li> <li>Eliminate delinquent rent, outstanding or paid.</li> <li>Include reimbursed expenses such as heat, water and sewer, electric, and maintenance and repairs.</li> <li>If Bad Debt is a positive number, please report in “Other Income” and explain in comments.</li> <li>Include Interest Reduction Payments in “Other Income” as it relates to HUD loans.</li> </ul>

Data Field(s)	Source	Guidance
<b>Real Estate Taxes</b>	Actual Bill or Escrow disbursement records. County/City/Town Tax Office, which can be located through an internet search.	<ul style="list-style-type: none"> <li>• Reflect the actual amount due or paid directly by the Servicer for the reported calendar year. Use the amount for the calendar year. This is not always the amount disbursed in the calendar year. Prorate the amounts accordingly for YTD Normalized reporting.</li> <li>• If taxes are abated, enter the actual amount of taxes paid. Enter expiration details or step-ups, if applicable.</li> <li>• Exclude delinquent taxes and credit from previous years.</li> </ul>
<b>Insurance</b>	Annual Policy Premiums or actual reported on operating statement.	<ul style="list-style-type: none"> <li>• Review the actual amount of insurance premiums paid during the time period covered by the <b><i>operating statement</i></b> and enter the amount that covers a full 12-month period. Prorate the amounts accordingly for YTD Normalized reporting.</li> <li>• If insurance is not escrowed, use the greater of Borrower actual OR Underwriting.</li> <li>• Include all property-related insurance premium amounts (e.g., fire, boiler, windstorm, earthquake, flood, and all relevant liability coverage).</li> <li>• <b>Note:</b> Seniors housing premiums will generally be higher.</li> </ul>
<b>Utilities</b>	Actual amount reported on operating statement.	<ul style="list-style-type: none"> <li>• Show full amount paid for all utilities.</li> <li>• Do not deduct tenant utility reimbursements — these should be included in “Other Income”.</li> <li>• If water and sewer expenses are escrowed, be sure to use the actual amount of expense paid during the period covered by the operating statement.</li> <li>• Include Trash Removal expenses.</li> </ul>
<b>Repairs and Maintenance</b>	Actual amount reported on operating statement.	<ul style="list-style-type: none"> <li>• Exclude readily identifiable capital expenditures (Cap Ex) and enter in the “Extraordinary Capital Expenditures” of the “Borrower Actual” column.</li> <li>• Be careful to exclude personal expenses and non-property related expenses, which are often detailed in the “Repairs and Maintenance” section.</li> <li>• If “Repairs and Maintenance” is excessive in comparison to historical or to comparable properties that are similar in size, type, and condition of the subject, contact the Borrower to discern if Cap Ex is included. If so, reduce the “Repairs and Maintenance” expense by that amount and place the amount on the “Capital Expenditures” in the “Borrower Actual” column.</li> <li>• Payroll for maintenance employees and labor costs associated with “Repairs and Maintenance” should be classified with “Payroll and Benefits” not “Repairs and Maintenance”.</li> </ul>

Data Field(s)	Source	Guidance
<b>Management Fees</b>	Operating Statement and/or Management Agreement.	<ul style="list-style-type: none"> <li>Use the higher of the Borrower actual or the Freddie Mac Underwritten Management Fee as a percentage (%) of EGI to determine the amount to report.               <ul style="list-style-type: none"> <li><b>Note:</b> Comment if actual amount reported in operating statement is excessive or abnormally low and/or noteworthy.</li> </ul> </li> <li>Include Asset Management Fees if expenses relate to operating the property.</li> </ul>
<b>Payroll and Benefits</b>	Actual amount reported on operating statement.	<ul style="list-style-type: none"> <li>Include all sources of property-related salaries including resident management, leasing, administrative, maintenance, and security.</li> <li>Determine if any payroll charges are related to Extraordinary Capital Expenditures and, if so, eliminate those charges from “Payroll and Benefits”.</li> <li>Include apartment allowance in “Payroll and Benefits”.</li> </ul>
<b>Professional Fees</b>	Actual amount reported on operating statement.	<ul style="list-style-type: none"> <li>Include legal and accounting expenses in “Professional Fees”.</li> </ul>
<b>General and Administrative</b>	Actual amount reported on operating statement.	<ul style="list-style-type: none"> <li>Enter any lost income from office, and/or down units in this field.</li> <li>Include security, leased furniture, license, permits, and corporate unit expenses.</li> </ul>
<b>Room Expense - Housekeeping</b>	Actual amount reported on operating statement.	<ul style="list-style-type: none"> <li>Enter amount reported in operating statement.</li> </ul>
<b>Meal Expense</b>	Actual amount reported on operating statement.	<ul style="list-style-type: none"> <li>Enter amount reported in operating statement.</li> </ul>
<b>Other Expenses</b>	Actual amount reported on operating statement.	<ul style="list-style-type: none"> <li>Other expenses must be directly related to the operation of the property AND expected to recur.</li> <li>If property has <b>commercial</b> space, Tenant Improvements and Leasing Commissions (“TI&amp;LC”) will remain in Capital Expenditures (normalized to underwritten amount).</li> <li>If property does <b>not</b> have commercial space, TI&amp;LC should be added to “Other Expenses”.</li> </ul>
<b>Ground Rent</b>	Actual amount reported on operating statement.	<ul style="list-style-type: none"> <li>Include both subordinated and unsubordinated ground rent.               <ul style="list-style-type: none"> <li><b>Note:</b> Provide details in the <i>Comments</i> section.</li> </ul> </li> </ul>
<b>Capital Expenditure</b>	Actual per Replacement Reserve Agreement.	<ul style="list-style-type: none"> <li>Normalize all Capital Expenditures per the underwriting Replacement Reserve agreement.</li> </ul>

Data Field(s)	Source	Guidance
		<ul style="list-style-type: none"> <li>• Annual — Report the Annual Underwriting Replacement Reserve/step up Amount (for 12 months).</li> <li>• Quarterly — Prorate Capital Expenditures to the correct amount if less than 12 months of normalized Income and Expense information is reported.</li> <li>• If property has <b>commercial</b> space, TI&amp;LC will remain in Capital Expenditures (normalized to underwritten amount).</li> <li>• If property does <b>not</b> have commercial space, TI&amp;LC should be added to “Other Expenses”.</li> <li>• Explain any variances from UW in the comments section. For example, step-up amounts.</li> </ul>
<b>Extraordinary Capital Expenditure</b>	Actual amount reported on operating statement.	<ul style="list-style-type: none"> <li>• Enter capital expenditures in the “Borrower Actual” column. The entire amount will be adjusted out of the “Normalized” column to reflect a \$0 balance per CREFC guidelines.</li> </ul>
<b>Debt Service - A/B/C Note(s)</b>	Exact Debt Service due per note for the reporting period.	<ul style="list-style-type: none"> <li>• Include actual amount due from the Borrower for the reporting period. <ul style="list-style-type: none"> <li>○ If Servicer does not have a full year of payment history, estimate and report the full year amount and provide methodology in the <i>Comments</i> section.</li> </ul> </li> <li>• Report only Freddie Mac Debt Service in Debt Service - A/B/C Note(s) fields. <ul style="list-style-type: none"> <li>○ Use funding dates to determine debt service amounts to be reported in Note A, B, and C, respectively.</li> <li>○ <b>Note:</b> Provide details in <i>Comments</i> section.</li> </ul> </li> <li>• If K deal securitized supplemental loans are funded in the middle of the reporting period without a full year of debt service, report actual debt service paid. Do not annualize debt service for the funding year.</li> <li>• Report the following debt service for non-conventional loans and note in <i>Comments</i> section the methodology used. <ul style="list-style-type: none"> <li>○ Full term IO — Enter IO debt service.</li> <li>○ Partial IO in conversion year — Enter Part IO and Part Amortizing debt service based on amortization start date.</li> <li>○ Amortizing — Enter Amortizing debt service.</li> <li>○ Variable/Floating — If a Rate Cap Agreement is in place, funds received, and annual expenses associated with the Agreement not already included in the Borrower’s operating statement</li> </ul> </li> </ul>

Data Field(s)	Source	Guidance
		<p>should be <b><i>adjusted to</i></b> “Other Income” and “Other Expenses”. However, if expenses are lump sum and paid up front, <b><i>eliminate</i></b> from the analysis. See CREFC guidelines for <b><i>full</i></b> details.</p> <ul style="list-style-type: none"> <li>• For loans secured by more than one (1) property, assign debt service to each property prorated based on original loan amount assigned to each property.</li> <li>• Report any <b><i>external subordinate</i></b> (not supplemental) debt service in <i>Comments</i> section. Make sure to include the following details: lender, loan terms, debt service amounts, and DCR.</li> </ul>
<b>DSCR (NOI/DS)</b> <b>DSCR (NCF/DS)</b>		<ul style="list-style-type: none"> <li>• Calculated fields.</li> <li>• Provide an explanation and driving factor(s) if DCRs fall below watchlist level</li> </ul>
<b>Source of Financial Data</b>		<ul style="list-style-type: none"> <li>• Provide source of financial information reported.</li> </ul>
<b>Comments</b>		<ul style="list-style-type: none"> <li>• In the fields available, provide commentary on: <ul style="list-style-type: none"> <li>○ Normalization and annualization.</li> <li>○ Begin date of the operating statement for annualized numbers.</li> <li>○ All adjustments.</li> <li>○ Omitted items outside the Master Coding Matrix.</li> <li>○ Highlight odd fiscal years.</li> <li>○ Debt service adjustments/variances/methodologies. <ul style="list-style-type: none"> <li>▪ For partial IO loans, Servicer should calculate and add in a comment the stressed NCF DCR using full amortizing Debt Service.</li> </ul> </li> <li>○ Provide details on variances above +/- 20% for main line items.</li> </ul> </li> </ul>

## OSAR TAB

The OSAR tab displays a comparison of Borrower’s current (“Most Recent/Interim”) financial information with three years annual historical and underwriting pro forma data (“at contribution”).

### Property Overview

Most of the fields in this section will be pre-populated with information from the NOIWS tab. Servicers are required to enter mandatory fields that are not pre-populated. Some fields in this section become required when Income and Expense numbers are reported for a specific year. Refer to the Validation Requirements Document for details.

Data Fields	Guidance
<b>Statement End Date</b>	<ul style="list-style-type: none"> <li>This field becomes required if Income and Expense line items are reported for that specific year.</li> <li>Enter the financial statement end date from the Borrower’s operating statement or audited financials for the reporting period in “Preceding”, “2<sup>nd</sup> Preceding”, and “3<sup>rd</sup> Preceding” when annual operating information is reported.</li> <li>The data entered into this field(s) will automatically populate the “Statement Ending Date” in the “Income” section.</li> </ul>
<b>Occupancy Rate (Physical)</b>	<ul style="list-style-type: none"> <li>This field becomes required if Income and Expense line items are reported for that specific year.</li> <li>Enter rent roll occupancy</li> </ul>
<b>Occupancy Date</b>	<ul style="list-style-type: none"> <li>This field becomes required if Income and Expense line items are reported for that specific year.</li> <li>Enter rent roll date.</li> </ul>

## Income and Expense Section

Depending on the option selected for the “Financial Indicator” in the NOIWS tab, either the “Preceding Year” or “Most Recent” column will be populated with data from the NOIWS. For Annual submissions, the annual data should appear in the “Preceding Year” column. The only time the “Most Recent” column should be populated is for quarterly submissions.

Data Fields	Guidance
<b>Number of Months (“Number of Mos.”) Covered</b>	<ul style="list-style-type: none"> <li>Enter the number of reporting months represented by the Income and Expense numbers. <ul style="list-style-type: none"> <li>Typically, 12 months for the “Third (3<sup>rd</sup>) Preceding”, “Second (2<sup>nd</sup>) Preceding”, and “Preceding” column(s), as applicable.</li> <li>Typically, 3, 6, 9 for YTD Normalized or YTD Annualized or 12 for TTM in the “Most Recent” column.</li> <li>Number of months may vary from the norm if an acquisition or assumption occurred during the reporting period. Enter actual number of months and provide comments when entries vary from the typical scenarios.</li> </ul> </li> </ul>
<b>Statement End Date</b>	<ul style="list-style-type: none"> <li>This field is pre-populated from the data points in the <i>Property Overview</i> section.</li> </ul>
<b>At Contribution Information</b>	<ul style="list-style-type: none"> <li>Enter underwriting line item details</li> <li>If the underwriting “At Contribution” data is not available in the pre-populated template, Servicers can request Freddie Mac to update the underwriting “At Contribution” data (FM Underwriting) via email to the SBL (<a href="mailto:MF_Master_Servicer_SBL@freddiemac.com">MF_Master_Servicer_SBL@freddiemac.com</a>) or Surveillance (<a href="mailto:MF_Surveillance@freddiemac.com">MF_Surveillance@freddiemac.com</a>) mailboxes.</li> </ul>
<b>Third (3<sup>rd</sup>) Preceding, Second (2<sup>nd</sup>) Preceding, and Preceding</b>	<ul style="list-style-type: none"> <li>Enter the Annual Income and Expense numbers starting with the “Preceding Year” column as the fiscal year information becomes available. <ul style="list-style-type: none"> <li>The “Preceding Year” Income and Expense numbers must be re-entered into the “Second (2<sup>nd</sup>) Preceding” and “Third (3<sup>rd</sup>) Preceding”, respectively, as more recent Annual Income and Expense data becomes available.</li> </ul> </li> <li>The “Preceding Year” column has hidden formulas to pull data from the NOIWS, if Annual numbers are reported. <ul style="list-style-type: none"> <li><b>Note:</b> These formulas can be overridden; however, once overridden, the data will no longer pull from the NOIWS tab.</li> </ul> </li> <li>The fields listed below become required, if Annual numbers are reported:</li> </ul>

Data Fields	Guidance
	<ul style="list-style-type: none"> <li>○ Statement End Date</li> <li>○ Occupancy Rate (Physical)</li> <li>○ Occupancy Date</li> <li>○ Number of Mos. Covered</li> <li>○ Effective Gross Income line items (as applicable)</li> <li>○ Real Estate Taxes</li> <li>○ Capital Expenditures</li> <li>○ Debt Service — A Note</li> <li>○ Source of Data</li> </ul> <ul style="list-style-type: none"> <li>● <b>Tip:</b> If a calculation error (e.g., #VALUE) is displayed, then one (1) or more required fields within the column must be completed.</li> </ul>
<b>Most Recent Column</b>	<ul style="list-style-type: none"> <li>● Information is populated from the NOIWS tab if the NOIWS “Financial Indicator” is either “TTM”, “YTD Annualized”, or “YTD Normalized”.</li> </ul>
<b>Income and Expense Line Items</b>	<ul style="list-style-type: none"> <li>● Follow guidelines from the NOIWS tab.</li> </ul>
<b>Comments</b>	<ul style="list-style-type: none"> <li>● Refer to CREFC IRP guidelines for details. Some guidelines for comments are highlighted below.</li> <li>● In the <i>Comments</i> sections, provide commentary on the following: <ul style="list-style-type: none"> <li>○ Variance(s) relating to property level performance fluctuations in excess of the thresholds noted below. No variance commentary is required on a quarterly basis <b>unless</b> the loan is on Watch List. <ul style="list-style-type: none"> <li>▪ DSCR less than 1.10x.</li> <li>▪ Variances of greater than +/- 20% between the current full year and prior full year for the following: <ul style="list-style-type: none"> <li>● Effective Gross Income</li> <li>● Total Operating Expenses</li> <li>● Total Capital Items</li> <li>● DSCR</li> </ul> </li> </ul> </li> <li>○ Variance(s) from underwriting exceeds the above thresholds (+/- 20%) for the first three (3) years of reporting or while underwriting is still relevant. Operating statement analysis and comments should be included.</li> <li>○ Comments may address the following: <ul style="list-style-type: none"> <li>▪ Define the problem/issue and explain the situation.</li> <li>▪ Identify source of information (e.g., property manager, Borrower, Primary Servicer, etc.).</li> <li>▪ Identify root causes for the fluctuations in income and/or expenses that exceed above thresholds (+/- 20%).</li> <li>▪ Normalization comments for income and expense items.</li> <li>▪ Include Market data, if relevant and available, noting concerns or improvements and property performance relative to competition.</li> <li>▪ Provide the Borrower’s or property management’s plan to improve cashflow, if the property is on the Watch List OR is not performing as well as expected based on the original underwriting, if underwriting is still relevant.</li> <li>▪ Describe overall risk trends, make sure to describe noteworthy changes in risk.</li> <li>▪ Updates on payment history, debt service adjustments, property performance, or significant financial changes.</li> <li>▪ Address any meaningful changes to property management.</li> </ul> </li> </ul> </li> </ul>



Data Fields	Guidance
	<ul style="list-style-type: none"> <li>▪ Include any legal concerns (existing AND new).</li> <li>▪ Include any risk mitigants (e.g., cross-collateralized/defaulted, LOCs and expiration dates, escrows, guarantees, etc.).</li> </ul>

## ASSESSMENT TYPE, ATTACHMENT REQUIREMENTS, NAMING CONVENTIONS, AND DUE DATES

Assessment Type	Submissions	Naming Conventions	Due Dates
<b>Annual Operating Statement - Multifamily</b>	A-CREFC-MF includes: 1. Form 2. Operating Statement <sup>1</sup> 3. Rent Roll <sup>1</sup> 4. Other	1. xxxxxxxx_ACREFCMF_MMDDYY_SYYYY 2. xxxxxxxx_FS_MMDDYY 3. xxxxxxxx_RR_MMDDYY 4. xxxxxxxx_ACREFCMF_Other_MMDDYY_SYYYY	<ul style="list-style-type: none"> <li>• 3/31 (Risk Rating &gt; 6)</li> <li>• 5/31</li> </ul>
<b>Annual Operating Statement - Healthcare</b>	A-CREFC-HC includes: 1. Form 2. Operating Statement <sup>1</sup> 3. Rent Roll <sup>1</sup> 4. Other	1. xxxxxxxx_ACREFCHC_MMDDYY_SYYYY 2. xxxxxxxx_FS_MMDDYY 3. xxxxxxxx_RR_MMDDYY 4. xxxxxxxx_ACREFCHC_Other_MMDDYY_SYYYY	<ul style="list-style-type: none"> <li>• 3/31 (Risk Rating &gt; 6)</li> <li>• 5/31</li> </ul>
<b>Quarterly Operating Statement - Multifamily</b>	Q-CREFC-MF includes: 1. Form 2. Operating Statement <sup>1</sup> 3. Rent Roll <sup>1</sup> 4. Other	1. xxxxxxxx_QCREFCMF_MMDDYY_SYYYYQn 2. xxxxxxxx_FS_MMDDYY 3. xxxxxxxx_RR_MMDDYY 4. xxxxxxxx_QCREFCMF_Other_MMDDYY_SYYYYQn	<ul style="list-style-type: none"> <li>• 5/31 (1Q)<sup>2</sup></li> <li>• 8/31 (2Q)</li> <li>• 11/30 (3Q)</li> </ul>
<b>Quarterly Operating Statement - Healthcare</b>	Q-CREFC-HC includes: 1. Form 2. Operating Statement <sup>1</sup> 3. Rent Roll <sup>1</sup> 4. Other	1. xxxxxxxx_QCREFCHC_MMDDYY_SYYYYQn 2. xxxxxxxx_FS_MMDDYY 3. xxxxxxxx_RR_MMDDYY 4. xxxxxxxx_QCREFCHC_Other_MMDDYY_SYYYYQn	<ul style="list-style-type: none"> <li>• 5/31 (1Q)<sup>2</sup></li> <li>• 8/31 (2Q)</li> <li>• 11/30 (3Q)</li> </ul>

<sup>1</sup> Rent Rolls and Operating Statements are in a separate queue from financial assessments.

<sup>2</sup> 1Q submission required if loan is on the Watchlist or a special product and required per the Guide.

**Note:** For resubmissions, change date to new due date (if due date was changed in PRS) in naming convention of CREFC templates. For returns/resubmissions completed after the July 2017 PRS release, the additional attachments such as financial statement and rent roll are not required to be re-uploaded, unless there was an error in the attachments in the original submission.

## SUBMISSION REQUIREMENTS

### Quarterly Reporting

- First (1<sup>st</sup>) Quarter is not required unless the loan is on the Watchlist or is a special product (e.g., unstabilized, lease up or value add) and requires 1Q reporting per the Guide.
- **Note:** SBL loans only require quarterly reporting if the loan is on the Watchlist.



- Reporting for SBL loans should include at least 3 months of operating performance data. If less than 3 months is available (e.g., due to an assumption), reporting is not required. Request a waiver for the assessment.
- Reporting for non-SBL loans should include at least 6 months of operating performance data unless the loan is a special product. If less than 6 months is available (e.g., due to an acquisition), reporting is not required. Request a waiver for the assessment.
- Income and Expense numbers should be normalized. Annualize numbers only if at least 6 months of data is available.
- For third quarter submissions, if a statement has less than 9 months, report as-is (YTD Normalized) or annualize to 12 months (YTD Annualized). Please do not convert to 9 months if the statement does not contain 9 months.

## Annual Reporting

- Income and Expense numbers should be normalized/annualized to 12 months. Annualize numbers only if at least 6 months of data is available, unless the loan is a special product (e.g., unstabilized, lease up, or value add).
  - **Note:** For annualized data, the *Comments* section should include the begin and end dates from the Borrower's operating statement.
- Annual submissions for loans that are Risk Rated 7-10 must be submitted by March end.

## Additional Reporting Requirements

- Additional reporting is required on:
  - **Bonds:** The Freddie Mac Bond Supplement is required for all bonds.
  - **Unstabilized Loans:** For unstabilized loans, the Servicer is required to complete the Unstabilized Comments Form.
  - **Cooperative Properties:** The Cooperatives Assessment Schedule is required to be completed for all Cooperative properties.
- All the above supplemental forms are available for download on the Asset Management Resources webpage.
  - **Note:** Servicer must ensure that they are using the most up-to-date version by downloading a **new copy every year.**

## A-CREFC Addendums File Naming Conventions

Assessment Type	File Type	Naming Convention
A-CREFC-MF	Bond ADS Supplemental Form	xxxxxxxxx_ACREFCMF_BOND_MMDDYY_SYYYY
A-CREFC-MF	Cooperative Assessment Supplemental Form	xxxxxxxxx_ACREFCMF_Coop_MMDDYY_SYYYY
A-CREFC-MF	Unstabilized Property Monitoring Form	xxxxxxxxx_ACREFCMF_UMF_MMDDYY_SYYYY
A-CREFC-HC	Bond ADS Supplemental Form	xxxxxxxxx_ACREFCHC_BOND_MMDDYY_SYYYY
A-CREFC-HC	Cooperative Assessment Supplemental Form	xxxxxxxxx_ACREFCHC_Coop_MMDDYY_SYYYY

Assessment Type	File Type	Naming Convention
<b>A-CREFC-HC</b>	Unstabilized Property Monitoring Form	xxxxxxxxx_ACREFCHC_UMF_MMDDYY_SYYYY

## Q-CREFC Addendums File Naming Conventions

Assessment Type	File Type	Naming Convention
<b>Q-CREFC-MF</b>	Bond ADS Supplemental Form	xxxxxxxxx_QCREFCMF_BOND_MMDDYY_SYYYYQn
<b>Q-CREFC-MF</b>	Cooperative Assessment Supplemental Form	xxxxxxxxx_QCREFCMF_Coop_MMDDYY_SYYYYQn
<b>Q-CREFC-MF</b>	Unstabilized Property Monitoring Form	xxxxxxxxx_QCREFCMF_UMF_MMDDYY_SYYYYQn
<b>Q-CREFC-HC</b>	Bond ADS Supplemental Form	xxxxxxxxx_QCREFCHC_BOND_MMDDYY_SYYYYQn
<b>Q-CREFC-HC</b>	Cooperative Assessment Supplemental Form	xxxxxxxxx_QCREFCHC_Coop_MMDDYY_SYYYYQn
<b>Q-CREFC-HC</b>	Unstabilized Property Monitoring Form	xxxxxxxxx_QCREFCHC_UMF_MMDDYY_SYYYYQn

## RESOURCES

- CREFC/MBA Methodology for Analyzing and Reporting Property Income Statements (page 72 of CREFC Investor Reporting Package version 8.0)
- Master Coding matrix
- Freddie Mac's Multifamily Seller/Servicer Guide (Chapter 40) on Completing and Submitting the PRS CREFC Assessment
- Freddie Mac CREFC Checklist