



Freddie Mac SBL Increases Loan Amount

February 6, 2017

To better serve the small property segment, the Freddie Mac Multifamily Small Balance Loan (SBL) program has increased the loan amounts available under the program, **effective immediately**. The details of the related changes are below, and will be included in the April 2017 Freddie Mac Multifamily Seller Servicer Guide update.

1. The standard SBL loan limit has been raised from \$5M to \$6M.
2. With prescreen approval, loans between \$6M and \$7.5M are available in Top and Standard Markets, provided they meet the following additional criteria:
 - 75 units or less
 - Minimum DCR of 1.25x
 - Full appraisal
 - Zoning report
 - Survey
 - Single Asset Entity (SAE) borrower
 - Larger Loan rider to Loan Agreement with
 - Quarterly financial reporting
 - Enhanced SAE borrower covenants

These larger loans **no longer need to** meet affordability criteria, submit full PNA and environmental reports, have SPE borrowers, or provide legal opinions.