SBL LEGAL QUICK HITS

Freddie Mac MULTIFAMILY

Issue 12: January 19, 2018

Who to Contact: Reassignment of Regional Counsel

Loan specific questions:

- Scott Collins for loans originated in Central and Western regions
- Filicia Davenport for loans originated in Northeast and Southeast regions

Title questions:

- Kelli Dunn

General SBL Servicing questions or comments:

- Filicia Davenport

General SBL Legal questions or comments:

- Freddie_Mac_Legal_SBL@freddiemac.com

Final Delivery Package Review Process. As we communicated at the Multifamily Customer Conference, we are implementing a new purchase model for SBL this year. Our new approach will further reduce cycle time and resource expenses, which is an ongoing goal of the SBL product. Beginning this month, Purchase will shift from a loan review model, where we review every loan document, to a confirmation model, where we validate receipt of documents and key data only. Single Counsel is a critical aspect of this revised process, as we will rely on Sellers and Single Counsel to deliver clean loan packages to Purchase.

Because of this change in process, you will begin to see fewer funding letters. If loan document corrections are required, they will need to be made at the time of securitization. Pre-securitization corrections have a shorter turn time and higher overall visibility.

We will perform sample QC reviews of packages where loans are purchased under the confirmation model. If we determine that your firm has delivery deficiencies, we will contact you with that feedback. We urge you to review the controls you presently have in place to ensure clean deliveries.

Full implementation of this new process will take 4-6 months. Please contact Molly Jo Battenfield with any questions.

Updated Commitment and Amendment Forms. We have updated the SBL Commitment, Amendment, and Seller Correction forms. They are all available on the SBL Single Counsel web page. We have also removed all forms related to the retired ERLA execution path for SBL.

Survey Requirement Changes for Loans over $6MM. The SBL survey requirements for loans over $6 million track the conventional loan survey requirements, which were revised in October of 2017. SBL larger loans now only require an ***existing*** survey, so long as the conditions in paragraph five of the Survey Waiver Requirements are satisfied. For Western Region loans where there is ***no survey***, the conditions in paragraph one of the Survey Waiver Requirements will still apply. If you have an SBL loan greater than $6 million and neither of these paragraphs is applicable, contact the applicable regional attorney.

Did You See

Freddie Mac Announces pricing of $362 Million Multifamily Small Balance Loan Securitization (Jan 18, 2018)

SBL Legal Quick Hits is a communication designed to share brief program updates and reminders for our Single Counsel. If you have any questions, please contact us at Freddie_Mac_Legal_SBL@freddiemac.com.