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| --- | --- |
| **Property Name:** |  |
| **Loan Number:** |  |



**Regulatory Agreement Questionnaire – SBL (Revised 5-20-2019)**

For every recorded Regulatory Agreement, Seller must do each of the following:

* Complete Section IV of this Questionnaire
* Require Single Counsel to complete Sections I, II, and III of this Questionnaire
* For Compliant Regulatory Agreements
	+ Upload the completed Questionnaire and Regulatory Agreement (including all amendments, schedules and exhibits) to DMS as a Preliminary Legal Issues Memorandum (PLIM) titled “Regulatory Agreement Questionnaire” and include a discussion of the Regulatory Agreement in the underwriting brief
	+ Ensure that Exceptions 6 and 7 are checked in Schedule A of the Commitment

**SECTION I** - ***Single Counsel to complete***

|  |  |
| --- | --- |
| [ ]  | This Regulatory Agreement is **Compliant** with SBL Requirements. |
| [ ]  | This Regulatory Agreement is **Conditionally Compliant** with SBL Requirements, pending receipt and review of the title search for the Property. |
|  | 1. *Seller’s loan Application must have the Borrower acknowledge that it is a condition to loan approval that (a) the title search confirms there is no mortgage or other agreement securing the Borrower’s obligations under the Regulatory Agreement and (b) the Regulatory Agreement does not encumber any property other than the Property.*
2. *Seller may not submit the complete underwriting package until Single Counsel receives/reviews title and confirms the Regulatory Agreement is Compliant.*
 |
| [ ]  | This Regulatory Agreement is **NOT Compliant** with SBL Requirements. |

**SECTION II** - ***Single Counsel to complete***

[Delete all instruction text in yellow/brackets.]

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| --- | --- |
| **Date of Review** |  |
| **Single Counsel** | [Insert name and contact information (phone/email) of Single Counsel who reviewed Regulatory Agreement – review must be completed by Single Counsel] |
| **Name of Regulatory Agreement** |  |
| **Date of Regulatory Agreement** |  |
| **Parties to Regulatory Agreement** |  |
| **Use and/or Occupancy Restrictions** | [Either “N/A” or specifically describe each such use or occupancy restriction and the number and type of units that are subject to each] |
| **Termination Date of Use and/or Occupancy Restrictions** | [Either “N/A” or Termination Date] |
| **Rent Restrictions** | [Either “N/A” or specifically describe each such restriction limiting the amount of rents that may be charged and the number and type of units that subject to each] |
| **Termination Date of Use and/or Rent Restrictions** | [Either “N/A” or Termination Date] |

**SECTION III** - ***Single Counsel to complete***

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| **Category** | **Requirement** *(Yes or N/A = program compliant) (No = the statement is not correct in whole or in part; the Regulatory Agreement is not program compliant)* | **Yes** | **No** |
| **LIHTC Property** | If a LIHTC Property, the Property is in the extended use period or in the final 24 months of the initial compliance period  | [ ]  or[ ] N/A | [ ]  |
| **Enforcement** | The Regulatory Agreement Agency does not have the right to:* Seize rental income
* Directly manage the Property
 | [ ]  | [ ]  |
| **Financing; Other Mortgages** | There is not:* Any current borrower indebtedness in connection with the Regulatory Agreement (secured or unsecured)
* A mortgage, deed of trust, or security instrument of any type, whether recorded or held in escrow, securing the Regulatory Agreement obligations
 | [ ]  | [ ]  |
| **No Additional Encumbered Property** | The Regulatory Agreement does not encumber any property other than the Property. | [ ]  | [ ]  |
|  | **Check here if the title report has not yet been received:** [ ] [If this box is checked, this Questionnaire may be delivered to Seller, but it MAY NOT be delivered to Freddie Mac as part of the underwriting package.] |  |  |

**SECTION IV – *Seller to complete***

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| **Category** | **Requirement** *(Yes or N/A = program compliant) (No = the statement is not correct in whole or in part; the Regulatory Agreement is not program compliant)* | **Yes** | **No** |
| **Financing; Other Mortgages** | Borrower has confirmed that there are none of the following:* Any current borrower indebtedness in connection with the Regulatory Agreement (secured or unsecured).
* A mortgage, deed of trust or security instrument, whether recorded or held in escrow, of any type securing the Regulatory Agreement obligations.
 | [ ]  | [ ]  |
| **No Additional Encumbered Property** | Borrower has confirmed that the Regulatory Agreement does not encumber any property other than the Property. | [ ]  | [ ]  |
| **LIHTC Property – no Tax Credit Investor** | If a LIHTC Property, Borrower has confirmed that the Property is in the extended use period or in the final 24 months of the initial compliance period (and in either case, the tax credit investor has exited ownership of the Property)  | [ ]  or[ ] N/A | [ ]  |