

SPE and Report Streamlining for Loans \$20MM and Under

The Freddie Mac Multifamily Guide will be updated with the benefits outlined below on June 25, 2020.

Applicable Loan Size	<ul style="list-style-type: none"> • UPB \$20MM and under for first mortgages • Supplemental loans are limited to \$25MM combined UPB, first mortgage + supplemental
Applicable Loan Type	<ul style="list-style-type: none"> • Included: TAH and Conventional loans and the following specialty products: MHC, Seniors, Student, and Structured • Excluded: SBL, Lease-Up, Value Add, Mod Rehab, Forward Commitments (see NOTE for SPE Light)
SPE “Light”	<ul style="list-style-type: none"> • Fewer and simplified SPE requirements, including reduced “Separateness” SPE requirements • Single-member LLCs no longer need to be formed in Delaware. • Delaware Single-Member Opinion Letters are not required for those Single-member LLCs that are formed in Delaware. • <i>*Note-</i> All loan products, except SBL, \$20MM and under may qualify for SPE light. Supplemental loans qualify up to \$25MM aggregate proceeds.
Zoning Report	<ul style="list-style-type: none"> • The zoning report is waived if the appraisal includes a robust discussion on zoning conformity, per Guide requirements. <ul style="list-style-type: none"> ○ If “Additional Zoning Compliance Information” is provided in zoning section of appraisal, and a non-conforming status is concluded, then BLO insurance and non-conforming carveout are required. ○ If “Additional Zoning Compliance information” is not provided in zoning section of appraisal – BLO insurance and non-conforming carveout are required
Survey Waiver	New As-built surveys waived if the Borrower Survey Certificate is submitted in Final Delivery package. <i>(see below for more information on survey requirements)</i>
Physical Risk Report (Form 1108)	Form 1108 may be used in lieu of ESA and PCR.

Survey Waiver Requirements for Loans \$20 Million or Less:

Borrower does not have to submit a current survey of the Property, if:

- The title insurance policy limits any exception for survey matters to those disclosed on the survey delivered to Freddie Mac (the “Existing Survey”) in connection with the request for the survey waiver and any new exceptions approved by Freddie Mac.
- The title insurance policy contains a “same as survey” endorsement ensuring that the Property insured is the same as the Property shown on the Existing Survey.
- Borrower provides the Survey Certificate in the form located on Freddie Mac’s website (<https://mf.freddie.mac.com/>).
- Borrower delivers a copy of the Existing Survey with the recorded title exception documents in accordance with the Final Delivery Instructions.