



Debt Service Reserve (DSR) Updates

Last week we issued new loan agreement provisions stating that the DSR can be released after 12 months, even if federal, state, or local restrictions are still in place, as long as outstanding due diligence requirements and asset-level performance tests are satisfied.

[View the details.](#)

LIBOR Transition Playbook and FAQs

On May 28, Freddie Mac and Fannie Mae jointly published a [LIBOR Transition Playbook and FAQs](#) to help the housing finance industry transition to SOFR. Both resources are now available on [Freddie Mac's new LIBOR Transition webpage](#).

May Forbearance Report

The Multifamily Securitization Forbearance report for May was released last week. [Read it here.](#)

Updated Affordability Test

We've updated the [Affordability Test](#), effective May 29.

The Mission Minute

We're all over **forwards and their conversions**. Did you know we've already converted and funded 20 this year? We've got another 10 executed letters just

waiting for closing in June and July. The conversions are the result of 9% and 4% tax credit properties being constructed, renovated and occupied — this can take as long as two years.

We're looking for solid candidates now for the graduating class of 2022. Properties with forwards can also experience delays. If you already have forward transactions and due to delays will need a built-in extension period — talk with us early ahead of the deadlines to make the extension smooth.

Bond credit enhancements: Did you know we just closed on a very large bond credit enhancement (BCE) in a major city? BCEs are a way to leverage bond volume dedicated for housing in your state. We've closed either BCEs or their cash purchase equivalent — the Tax-Exempt Loan (TEL) — in most states.

You can find info about bond volume through your state Housing Finance Authority. They can tell you if there is sufficient volume to close another deal this year or when your deal can fit into the priority list. We look forward to closing one with you.

