**Tax Abatement/Exemption Analysis – SBL  
(Revised 3-15-2022)**

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| *Property Name:*  *Loan Number:* |  |
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*For every Tax Abatement/Exemption, Seller/Single Counsel must do each of the following:*

* *Complete this Tax Abatement/Exemption Analysis (“Analysis”)*
* *Upload the completed Analysis (including all amendments, schedules and exhibits) to DMS as a Preliminary Legal Issues Memorandum (PLIM) titled “Tax Abatement/Exemption Analysis-SBL”*

***NOTE: A separate Analysis must be delivered for each applicable Tax Abatement/Exemption Program.*** *When completing this form,* ***do not refer solely to the documents (e.g., “see Section 5 of the agreement”).*** *Answer/describe the information in each field as indicated.*

* *The attorney completing this Analysis (“Completing Attorney”) acknowledges that Freddie Mac will be using the information in this Analysis for purposes of its securitization disclosure without any further review to verify its accuracy.  All capitalized terms not defined in this analysis have the meanings given to them in the Guide. The Completing Attorney represents and warrants that all information provided in this analysis is true and correct in all material respects and that there are no omissions that would result in any such information being materially incomplete, incorrect, or misleading as of the Origination Date.*

***NOTE:******If a tax abatement is not currently in place, then the tax abatement will not be included in the underwriting of the loan. For ONLY those tax abatements created under the New York – Affordable New York Housing Program (“ANYHP”), codified pursuant to Section 421a(16) of the Real Property Tax Law of the State of New York (formerly known as the New York City 421-a Tax Exemption Program): if the tax abatement is not currently in place, then prior to submission of this Analysis, the tax abatement must be approved through the Freddie Mac SBL prescreen process in order for the tax abatement to be included in the underwriting of the loan.***

| **SECTION I – SELLER/SINGLE COUNSEL TO COMPLETE** | |
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| This Tax Abatement/Exemption is **Compliant** with SBL Requirements. | Y  N |
| If the Tax Abatement/Exemption is **Not Compliant**:   1. *Seller’s loan application must have the Borrower acknowledge that it is a condition to loan approval that the tax abatement/exemption will not be included in underwriting of the loan.* 2. *Seller may not submit an underwriting package that includes the tax abatement/exemption in the underwriting of the loan.* | N/A – is compliant  Seller/Single counsel has confirmed borrower’s acknowledgement.  Seller/Single counsel has confirmed the underwriting package submitted by the Seller does not include the tax abatement/exemption. |

| **SECTION II - GENERAL INFORMATION** | |
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| **Date of Review:** |  |
| **Single Counsel:** | [Insert name and contact information (phone and email) of Single Counsel who reviewed Tax Abatement/Exemption Analysis – SBL. Review must be completed by Single Counsel] |
| **Type of Tax Abatement/Exemption**  [**NOTE:** *the term “tax abatement” used in this Analysis means Tax Abatement or Tax Exemption, as applicable]* | Tax Abatement  Tax Exemption |
| **Name of the tax abatement (include Code and Section Reference)**  *Include the date when the tax abatement was originally implemented.* |  |
| **Name of Agency administering the tax abatement** |  |
| **List the type(s) of taxes covered by the tax abatement and confirm the amount of the taxes with the tax abatement in place.**  *If tax amounts cannot be confirmed, please explain why.* | *Tax type(s):*  *Current tax amount(s):* |
| **Is the tax abatement currently in place?**  *If* ***Yes****, attach evidence from the governing authority confirming the tax abatement and describe the attachment here.*  *If* ***No****,* ***the tax abatement will not be included in the underwriting of the loan.******See Note above regarding a potential exception for a tax abatement created under the ANYHP.*** | Y  N |
| **Describe the duration and the term of the tax abatement. Include:**   1. *The official commencement date* 2. *The official expiration or termination date* 3. *A description of phase-in period, if any*   *If no specific expiration or termination date, state number of years after the tax abatement is granted or completed OR*  *if no termination, insert* ***N/A****.*  ***If the tax abatement has been applied for but not yet approved, then the tax abatement will not be included in the underwriting of the loan. See Note above regarding a potential exception for a tax abatement created under the ANYHP.*** | *Commencement date:* \_\_\_\_/\_\_\_\_/\_\_\_\_\_\_  *Expiration/Termination date:* \_\_\_\_/\_\_\_\_/\_\_\_\_\_\_  *Description of phase-in period:* |
| **Is there a Regulatory Agreement between the property owner and applicable governing authority documenting the tax abatement?**  *If* ***Yes****, provide a Regulatory Agreement Questionnaire - SBL for each Regulatory Agreement.* | Y  N |
| **Describe any and all affordability restrictions in connection with the tax abatement.**  *[****NOTE****: If restrictions are contained in a Regulatory Agreement, a Regulatory Agreement Questionnaire - SBL must also be completed and this section to be completed with “See Regulatory Agreement Questionnaire - SBL.”]*  *If there is no Regulatory Agreement, describe how the Tax Abatement was created/documented and attach copies of any relevant documents.*  *If any documents are missing/not provided, describe what is missing and explain why it has not been provided.* |  |
| **Has a final Certificate of Eligibility for the tax abatement been obtained?**  *If* ***Yes****, attach a copy of the final certificate. If the application for the tax abatement is sufficient for the final approval of the tax abatement, please attach the application.*  *if* ***No****,* ***the tax abatement will not be included in the underwriting of the loan. See Note above regarding a potential exception for a tax abatement created under the ANYHP.*** | Y  N |

| **SECTION III - TAX ABATEMENT/EXEMPTION/**  **PROGRAM INFORMATION** | |
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| **Eligibility Criteria - Property**  *Describe the criteria in detail, including the following:*  *(i)* *whether the property is located in a defined zone, such as a redevelopment zone.*  *(ii) Income or other restrictions applicable to the property (including the number of affordable units)*  *(iii) whether eligibility is dependent on a certain type of financing.*  *If none, insert* ***N/A.*** |  |
| **Eligibility Criteria – Borrower**  *Describe the criteria in detail, including the following:*   1. *Nonprofit status pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986.* 2. *Nonprofit status as a Certified Housing Development Organization* 3. *Any other evidence of nonprofit status*   *If the tax abatement is based on the nonprofit status of the borrower (or any entity in the borrower structure), attach a copy of the legal opinion previously issued regarding that nonprofit status.*  *If none, insert* ***N/A.*** |  |
| **Are there ongoing compliance/eligibility requirements for the tax abatement that need to continue to be satisfied?**  *If* ***Yes****, list the information being delivered as evidence Borrower continuing to meet compliance/eligibility requirements.*  *If no requirements, insert* ***N/A****.* |  |
| **Describe the circumstances under which the tax abatement could be terminated or end earlier than the termination date.**  *Examples: noncompliance with requirements, nonrenewal or termination of legislation that permits the abatement, etc.* |  |
| **In the event of foreclosure:**   1. *Does the tax abatement automatically transfer to the foreclosing lender if they purchase the property as REO?* 2. *Does the tax abatement automatically transfer to a subsequent owner?*   *If the answer to either of the above is* ***No****, describe the criteria/type of application or administrative action needed to transfer the tax abatement, or state the tax abatement cannot be transferred.* | Y  N  Y  N |
| **Will the tax abatement remain in place if the Borrower fails to comply with the tax abatement requirements and there is not a Regulatory Agreement in place?**  *If* ***No****, provide information regarding any ongoing compliance requirements that are necessary to maintain the abatement.* | Y  N |
| **Is there any current or outstanding legal challenge or case law affecting the tax abatement?**  *If* ***Yes****, include additional information and a description of the impact it may have on the tax abatement.* | Y  N |
| **Are there any proposed amendments to the statute, ordinances or regulations governing the tax abatement?**  *If* ***Yes****, include additional information (including dates).* | Y  N |