



SMALL BALANCE LOAN UPDATE

Freddie Mac Staff:

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Top 2020 Small Balance Loan (SBL) Optigo® Lenders

With the help and support of our entire Optigo network, Freddie Mac Multifamily achieved a record-breaking year in 2020. We'd like to take the opportunity to once again thank all of you and give a special shout-out to our [top three SBL lenders](#) on their 2020 accomplishments. Congratulations to CBRE, Sabal and Greystone!

TIC Borrower Minimum Requirements

Please refer to the updated [Tenants in Common Borrower Minimum Requirements](#) as a follow up to the SBL Optigo lender call on Wednesday.



Southwest Virtual Pop-Up Next Week

We'll be in the Southwest next week hosting our virtual pop-up on **January 25 and 26**. This includes all southwestern markets in the Western region, such as Phoenix, Los Angeles, the Inland Empire (CA), San Diego, Las Vegas and Tucson!

If you haven't already, please complete this [registration form](#) and our Western region team will reach out to schedule the appointment. We look forward to virtually "seeing" you in the Southwest!

[Register Now](#)

Tax Abatement Guidance

Please refer to the [Tax Abatement Guidance](#) and [Cash Flow Analysis Template](#) for SBL deals where tax abatements are being underwritten. If a deal has a tax abatement but the abated taxes are not being underwritten, the cash flow analysis is not required. If additional assistance is needed to complete the tax abatement analysis, please contact [Brendan Price](#) at (212) 418-7750.

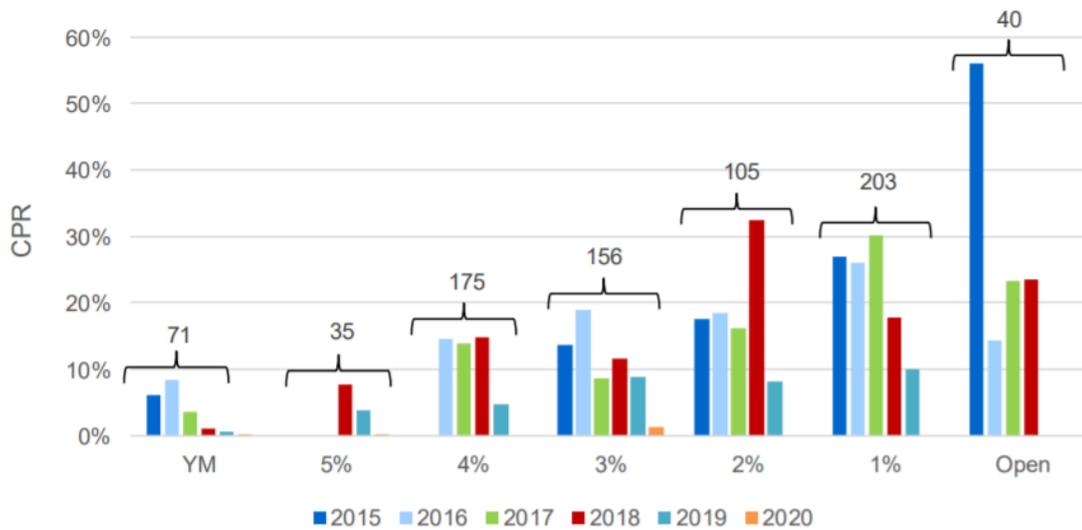
SB-Deal® Performance

Since 2014, our SB-Deal program has securitized 11,319 loans for over \$29.9 billion through the SB Certificates. Together, we continue to hit program milestones with great strides. Check out the updated [SBL Investor Presentation](#) and [SB-Deal Performance Report](#) for more details.

New SBL Prepayment Report

The [SBL Prepayment Report](#) was released this week, presenting a summary of SBL voluntary prepayment activity from December 2019 to November 2020.

Exhibit 9: CPR by Loan Prepayment Phase and Payoff Loan Counts in the Past 12 Months



Source: Freddie Mac

SBL Lender Call Recap

Thanks to all of you who joined us on Wednesday for our SBL business update. We had a productive meeting together and look forward to the road ahead in 2021. While we weren't able to answer all of the questions we received during the call, we'll be addressing them in next week's Small Talk feature – stay tuned.

Small Talk

Each week we're welcoming any questions from you in the Small Talk series. As we receive questions, a selected member of our team will answer in the following week's *SBL Update* with their fresh perspective. Please continue to submit any questions to sbl_weekly_questions@freddiemac.com to hear from us!

This week we're featuring [Anshita Kumar](#). Anshita is a senior underwriter in the Southwest region.

How do you handle discrepancies in the lease audit?

Sometimes we see "Month to Month" as an explanation on the lease audit when the lease has expired and/or the rental charge on the rent roll does not reconcile with the lease agreement. In this instance, the lender should request

an updated executed lease agreement, or in markets where converting to month to month is common, request evidence of notification to the tenant of the change in rent. As this is an audit form, the lender is encouraged to consider expanding their sample size, as a few errors may be representative of larger discrepancies. If there is embedded parking or other contractual payments, these should be supported by the lease agreement as well. From an underwriting perspective, we would underwrite to the lower rent between the rent roll or lease agreement.

What's your favorite part of being a mom during quarantine?

Let's just say, I take it day by day. We had our second child in January 2020 (in denial that he's going to be ONE next week!). We're extremely lucky to have formed a part-time "learning pod" at home for my 3-1/2 year old and have help with our baby. I frequently have to prep dinner and have been involving my 3-1/2 year old in a lot of prep work. As we're Indian, I regularly make rotis. He has his own rolling pin, flour and is pretty good at rolling out the dough to 50-60% of where it needs to be! Then I take over. During the holidays, we made a lot of cookies, so he

came up with the idea of making "Gingerbread rotis" too! I was quite impressed with his ingenuity (but hey, I'm biased). He's also great at chopping vegetables (kid's knife of course!), and cracking eggs (unassisted, with rarely any egg shells and very few broken yolks!). I'm immensely enjoying the fact that he doesn't realize its work, and it's all a game (let's see how long it will last, before he starts asking for payment...bets anyone?).



Pictured: husband Ankit, Viraj and baby Vihaan

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