



COVID-19 DSR Elimination

In case you missed it, [Steve Lansbury shared the news](#) that effective as of Monday, November 1, the COVID-19 debt service reserve (DSR) is eliminated for all Small Balance Loans (SBL) in process that have not yet closed with the Optigo® lender.

- For all loans with a commitment issued and not yet closed, please work with Single Counsel to amend the commitment to remove the COVID-19 DSR; Freddie Mac has issued a standard form commitment amendment for this purpose
- For all loans closed and not yet funded, we will follow the process for DSR releases
 - The mortgaged properties must have achieved average Rental Collections (based on trailing three-month average and the immediately preceding month's collections) equal to or greater than the Release Rental Collections (as such terms are defined in the loan documents)

Please see the [SBL Collections Guidance](#) and [SBL COVID-19 DSR Update](#) for more details.

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Additional details on DSR releases for loans that have closed can be found in [Tuesday's email from Pamela Dent](#).

PSA & Analysis

Please remember that along with the requirement to submit the Purchase Sale Agreement (PSA) and all amendments for acquisitions, an analysis of the PSA is also required for submission as outlined in [Chapter 55SBL.2 of the Freddie Mac Multifamily Seller/Servicer Guide](#). The dynamic checklist will be updated to reflect this more specifically.

SBL Team Promotions

We're excited to promote the following team members from our production and underwriting teams who have been incredible contributors to the SBL program. Please join us in congratulating:

- [Steve Malloy](#), Production Director – South Central
- [Ross Drucker](#), Production Manager – Northeast
- [Tarah Marbach](#), Senior Underwriter – West
- [Ted Chen](#), Senior Producer – West
- [Rob Gallegos](#), Senior Production Analyst – West

We're also excited to have several new team members join us in the last few weeks. We look forward to all of you meeting:

- [Zach Johannes](#), Producer – Northeast
- [Mahmud Shah](#), Underwriting Associate – Northeast
- [Zehua Yin](#), Sr. Underwriting Analyst – Northeast
- [Brett Garrison](#), Underwriting Analyst – South Central
- [Maryam Minick](#), Underwriting Associate – South Central
- [Vanessa Montgomery](#), Underwriting Associate – South Central

- [Mitchell Jorstad](#), Underwriting Analyst – Southeast



Optigo Now Next Week

Join us next week for our third Optigo Now session. We'll be hearing from **Robert Koontz**, senior vice president of Multifamily Capital Markets, and special guest **Naa Awaa Tagoe**, FHFA Acting Deputy Director for the Division of Housing Mission and Goals.

Optigo Now

Small Talk

Each week we welcome questions from you in the Small Talk series. Please continue to submit questions to the [Small Talk mailbox](#) to hear from a select member of our team in the following week's *SBL Update*.

This week we're featuring [Scott Collins](#). Scott is an associate general counsel on our SBL legal team.



Scott Collins

What questions do you typically receive about the Form 1115?

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I am often asked whether or not something must be disclosed on the 1115. Although it's up to the party filling out the 1115 to make that determination based on the form's instructions, if there is any doubt as to whether or not something must be disclosed, I always advise disclosure. I was recently asked if a party must disclose a criminal matter related to fraud if the matter was ultimately expunged. The 1115 requires disclosure if a "Borrower has been subject to a claim in any litigation or other proceeding (even if such claim has been settled) relating to (i) fraud, breach of fiduciary duty, breach of trust, or other similar claim..." So yes, anything related to a prior fraud must be disclosed on the 1115, even if the matter is ultimately expunged.

Have you been able to do any traveling during the pandemic?

We live in Reston, Virginia, a suburb near Washington, D.C. While we avoided air travel, my family was able to take advantage of our proximity to both the beach and the mountains. We spent time at the beach in Nags Head (part of the Outer Banks of North Carolina) and in the Blue Ridge Mountains, near Charlottesville, Virginia. We had two bear adventures while in the mountains. The first adventure happened one evening when a bear managed to open the door to our minivan in search of food (we were safe inside our rental house). Our other adventure happened when my daughter and I came across a brown bear while we were hiking. Fortunately, the bear wasn't interested in us and wandered off into the brush without incident!

Are you doing anything special to celebrate the holidays this year?

My wife, Sara, and I are taking our kids, Maya (16) and Sophia (13), to New York City before Christmas to see the tree at Rockefeller Center and the City all decorated (and maybe do some shopping!). Although I grew up in Rochester, New York, I have never been to New York City during the holidays, so I'm excited to experience it with my family.



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