



SMALL BALANCE LOAN UPDATE

Freddie Mac Staff:

The email below will be sent externally to Multifamily customers and others who are subscribed to our news emails. You are receiving this email for information purposes only, and you may [update your email preferences](#) at any time.

Programmatic Exceptions and Credit Risks Update

We would like to clarify information that was included in last week's update regarding [program exceptions and credit risks](#).

The following apply and is effective **for deals taken under application on or after December 13**.

- MAE and Corporation have been added to item #1 of the Programmatic Exceptions list
- Delegated Property Inspection is not policy-compliant and has been added as #31
- Commercial Income Vacancy drivers are now added to page 2 in reference to Programmatic Exception #25

The following additions to the Programmatic Exception list are points of clarity for matters that already required a prescreen exception.

- The T12 occupancy statement has been added to #14 and will require a prescreen if it is unavailable

- Cash-out greater than 15%, within 3 years of acquisition, is only required when LTV > 75% and DSCR < 1.25x in top markets, and LTV > 75% in standard markets*

*Please note that this clarification to our previous requirement on when a cash-out prescreen is required is not yet updated in the [Program Exceptions and Credit Risks document](#).

Production Promotion

Within our production team, we are pleased to announce that [Tim Caffrey](#) has been promoted to senior analyst in the North Central Region.

Tim is integral to our North Central team and we're excited for his continued growth. Please join us in congratulating Tim on his well-deserved promotion.



Tim Caffrey
Senior Analyst
North Central Region

Holiday Spirit

We would like to wish you all a safe and wonderful holiday season. As a reminder, our offices will be closed on December 25 and January 1 in the upcoming weeks. We look forward to continued growth in 2020 with you by our side.

