

Exhibit 1: Underwriting Checklists

Section 1.31 (02/27/25)



Targeted Affordable Housing Cash Mortgage Conversion Underwriting Checklist

Applies to the conversion of TAH Cash Mortgages originated under a Forward Commitment for the purpose of:

- New construction, or
- Substantial rehabilitation

Please see Chapter 55 of the Freddie Mac *Multifamily Seller/Service Guide* for a full description of each item listed. If you have any questions or trouble filling out this exhibit, please contact the Guide team at MF_GUIDE_TEAM@freddiemac.com.

Underwriting Documents

- ☐ Mortgage transaction narrative analysis
- ☐ Borrower and Key Borrower Principal Certificate – Form 1115
- ☐ Financial statements of Borrower and Key Borrower Principals – certified, or statement of no material change, if there have been no material changes since the origination of the Mortgage
- ☐ Certified Organizational Charts for Borrower, Guarantor (not in Borrower's organizational structure), Master Tenant, Pre-Approved Transferee (not in Borrower's organizational structure), or Operator along with Certification – Organizational Chart, Form 1114, or statement of no material change, if there have been no material changes since the origination of the Mortgage
- ☐ Real Estate Schedule – Form 1116 - certified, or statement of no material change, if there have been no changes since the origination of the Mortgage
- ☐ Credit reports dated within 60 days of conversion
- ☐ Seller's pro forma property financial statements, updated
- ☐ Aged Receivables Report, if applicable - certified
- ☐ Rent roll – certified, dated within 45 days of conversion
- ☐ Current property financial statements – certified, for the three-month period prior to the conversion
- ☐ Borrower and Key Borrower Principal Blanket Certification, Form 1112
- ☐ Wood-damaging insect inspection report or a certification from the Property's current pest control provider, when required¹
- ☐ Commercial lease documentation, if applicable
- ☐ Master lease documentation, if applicable
- ☐ Property inspection documentation
- ☐
 - Additionally, most recent annual servicing inspection report for Freddie Mac Refinances and Supplementals, if applicable, per Section 55.2

¹ See Section 8.2(e) for instances when wood-damaging insect documentation is required



- ☐ Ground lease documentation, if applicable
- ☐ Certificate of Good Standing from the construction lender
- ☐ Regulatory agreements and amendments, executed, if not delivered previously
- ☐ Low-Income Housing Credit Allocation and Certification – IRS Form 8609
- ☐ For a LIHTC Property utilizing the Income Averaging Set-Aside, LIHTC Compliance/Monitoring documentation
- ☐ Low-Income Housing Credit Agencies Report of Noncompliance or Building Disposition – IRS Form 8823, if applicable
- ☐ Final Housing Assistance Payments Contract or other rental assistance contract, if applicable
- ☐ Any updates to the Subordinate Debt Documentation, if applicable
- ☐ As-built survey, if applicable
- ☐ Updated Legal Issues Analyses forms (LIA)
- ☐ Evidence of Tax Abatement, if applicable
- ☐ Flood Zone Determination (FZD)
- ☐ Appraisal, updated, if additional proceeds are requested at Conversion
- ☐ Real estate tax bill
- ☐ Evidence of Insurance -- Form 1133, Seller/Service Certification of Insurance Coverage, and other insurance documentation
- ☐ Management plan or management agreement, updated, or statement of no material change, if there have been no material changes since the origination of the Mortgage
- ☐ EPA Energy Star Score, when required for Green Rebate
- ☐ Green Building Certificate, as applicable
- ☐ Environmental report
- ☐ A certified cost accounting of total project costs, including hard and soft cost
- ☐ Seller certification and disclosure of any HUD 2530 issues relating to the Borrower Principal and Property Manager, if applicable
- ☐ Seismic risk documentation, if required by Chapter 64
- ☐ Request for cancellation and return of the Delivery Assurance Note, if applicable
- ☐ Request for the release of the Delivery Assurance Mortgage along with a draft of the cancellation of Mortgage, if applicable



- ☐ Name, address, telephone number, facsimile number and email address of the Title Company to be used for originating the Mortgage
- ☐ Optigo Lender's Fee Certification – Conventional and Targeted Affordable Housing form, if applicable
- ☐ Ownership interest in Borrower or Property by S/S or any directors or officers: Ownership interest disclosure
- ☐ Preferred equity or mezzanine debt: Summary of proposed preferred equity or mezzanine debt terms (may be included in Mortgage transaction narrative analysis)
- ☐ For Employer Enabled Permanent Supportive Housing: Borrower Certification, Form 1134 and the Partnership Agreement
- ☐ Additional documentation, as required by Freddie Mac

Construction Completion Documents

- ☐ Post-construction analysis report, as described in Section 63.5

If not attached to the post-construction analysis report, as required by Section 63.5(a), the following documents must be included in the Conversion underwriting package:

- ☐ Architect's certificate of substantial completion
- ☐ Final punch list from the architect of record
- ☐ Final payment certification
- ☐ Final lien waiver from the general contractor
- ☐ Release of payment and performance bonds
- ☐ Release of bonds required by any governmental authority
- ☐ Final certificate(s) of occupancy
- ☐ Reserve analysis, if not completed previously or if revisions to the previously completed analysis are recommended
- ☐ A summary of all change orders and an analysis of all material changes
- ☐ A summary analysis, prepared by the Seller's Chief Architect/Engineer, indicating that the finished project has been completed, lien-free and in accordance with all applicable requirements, substantially in accordance with the plans and specifications reviewed at the issuance of the Forward Commitment