

PRS Loan Management Form (LMF)

Desk Reference for Individual and Bulk
Templates

December 2023

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Introduction

This desk reference is sorted into two parts: The first half focuses on templates for individual loans, and the second half focuses on templates for multiple loans. Overall, this reference introduces the Loan Management Form, highlights the submission protocols and template submission requirements, and provides guidelines on how to complete the form to ensure compliance of the borrower with mortgage requirements are communicated appropriately.

The Annual Inspection vs. Loan Management Form

- The **Annual Inspection Form (AIF)** focuses on detailing the property management performance and the physical condition of the subject.
- The **Loan Management Form (LMF)** focuses on the compliance of the borrower with mortgage requirements and highlights any other potential problems associated with the borrower or loan.

Individual Template

Submission Protocol

This table lists submission protocol for the LMF.

| Steps | Comments |
|--|---|
| Evaluating the mortgage and determining when an LMF is required to be submitted | <p>An LMF is due annually. To determine when submission of an LMF is necessary, the servicer must evaluate the borrower's compliance with Loan Documents, including whether any of the conditions noted on the form exist (these conditions are outlined in a section below).</p> <p>Servicers must submit the LMF within 10 Business Days of determining that any of the conditions noted below (and in Guide Section 40.6(a)) have occurred regardless of the due date in PRS. If not submitted earlier in the year, the LMF must be submitted annually on or before December 31st via the Property Reporting System (PRS).</p> |
| Quick Start Tips | <p>For successful completion of the LMF and submission to PRS, observe the following quick start tips:</p> <p>The LMF template is in Microsoft Excel format and can be downloaded from PRS. Once downloaded, users must enable Macros in Excel for all validations and conditional formatting to work properly.</p> <p>The template is to be completed and stored on your local machine, file server or document management system (depending upon local IT policies and procedures). Upon successful completion and validation that all fields have been correctly entered by the user, the Excel template file will indicate a status of "Complete".</p> <p>Once the status of the form indicates "Complete", the completed form can be uploaded into PRS. Any Assessment(s) with a status of "Incomplete" will be automatically "Rejected" by the system for the user to correct and attempt upload again.</p> |

| | |
|--|---|
| Retrieve the LMF | <p>Within PRS, you have the option of downloading a blank or a pre-populated LMF form. When you download a pre-populated form, the system will populate the following data fields where applicable:</p> <ul style="list-style-type: none"> • Freddie Mac Loan Number • Property Name • Servicer Name • Owner of Loan • Investor Loan Number |
| Understanding the LMF | <p>Always enable the macro and Active X controls before using the template. Required inputs are denoted by red borders; some cells become required inputs depending on responses from preceding cells.</p> <ul style="list-style-type: none"> • Formula-driven cells are protected • Comments boxes describe data validation rules • Completeness checks available on each worksheet |
| Complete the LMF | <p>The LMF is an Excel based workbook that contains a worksheet providing borrower compliance information and other potential issues associated with the borrower or loan.</p> |
| Verify the Template for Completeness — Submitting the LMF | <p>The form has a series of validation points to assist you in completing them:</p> <ul style="list-style-type: none"> • Completion Status: Provides a status of “Complete” or “Incomplete”. The LMF needs to have a “Complete” status to be submitted. • Required Fields: Fields requiring user input will include a red border around them. All red borders within the form need to be cleared before an LMF can have a “Complete” status. • Valid Data Format: Certain fields contain validation rules that check whether or not the value entered into the field is correctly formatted. Such fields contain comments regarding the format rule. You will have to meet all format rules for the LMF to have a “Complete” status. <p>Forms that do not pass the completeness verification or that contain incorrect data will not be accepted and will be rejected for submission. Only completed forms will be accepted by Freddie Mac.</p> |

Freddie Mac Loan Management Items

| Section | Data Fields | Comments |
|-------------------------------|---|--|
| Loan and Servicer Information | Submission Period | Enter the Submission Period, which is the year in which you are submitting the information, i.e., 2023. |
| | Data as of Date | Enter the "As of date" of information provided within the template. |
| | Name of Analyst/Contact Phone/Contact email | Provide the contact information for the preparer of the LMF. |
| Loan Management Questions | Q1. Is borrower/property in any non-monetary default of the loan? "Non-compliance" refers to a change in use not authorized by the loan documents. | If "Yes", comment on nature of non-compliance, Freddie Mac approval status (where applicable), steps taken to resolve issue and any other information deemed pertinent. Examples include but are not limited to: use of the property as a hotel, new rent regulation, regulatory agreements, affordable housing, tax abatement/exemption, change in borrower/principal, UCC filing, payments of unsubordinated ground lease, change in property management, force-placed insurance, and unauthorized lien requirements. |
| | Q2. Is there any unauthorized rehab or construction underway at the property? | If "Yes", provide details of type of rehab, location, size, estimated costs, completion status, scheduled date of completion, and whether construction is impacting leasing or current tenant satisfaction. |
| | Q3. Is borrower or principal in bankruptcy? | If "Yes", provide details (if available) such as date bankruptcy was filed, status of bankruptcy, and potential impact of subject loan. |

Freddie Mac Loan Management Items (cont'd)

| Section | Data Fields | Comments |
|---|---|---|
| Loan Management Questions (cont'd) | Q4. Are there problems or issues associated with any of the following reserves/escrow accounts connected with Mortgage or Property, (e.g. Reserve payments have not been made when due, Reserve is insufficient,etc?) | If "Yes", provide details including monthly dues (if applicable), number of months in arrears and outstanding balance in escrow or any advances. If repair agreement relating to repair escrow is in place, comments should include due date of completion, extended due date (if applicable) and status (%) of completion. If there was a significant amount of deferred maintenance (>5% of UPB or >\$500,000) noted at last inspection, please comment on whether the Replacement Reserves are funded and, if so, the current balance of the escrow account. |

Assessment Type/ Attachment Requirements/ Naming Conventions/ Due Dates

The LMF must be submitted prior to or on the Due Date, or it will be considered late.

| Assessment Type | Required Submissions | Naming Convention | Due Dates |
|-------------------------------|----------------------|---|---|
| Annual Loan Management | LMF | 1. xxxxxxxx_LMGT_MMDDYY_SYYYY a. xxxxxxxx = Freddie Mac 9-digit loan # b. SYYYY Submission Year | The PRS due date is December 31 st , but if a condition detailed on the form occurs, servicer must submit within 10 Business Days of determination, regardless of the due date in PRS. |

Additional Guidance

- Notify MF_Surveillance@freddiemac.com as soon as highlighted issues have been remediated and submit a LMF with the updated response in the next reporting period
- If the Borrower/Sponsor/Property is non-compliant on multiple questions at different times throughout the same reporting period, notify MF_Asset_Perf@freddiemac.com to request a return so that the LMF can be updated and resubmitted
- As needed, Loan Item Tracking (LIT) will be set up in PRS to monitor remediation of highlighted issues

Other Tools

[Chapter 40](#) of the *Freddie Mac Multifamily Seller/Service Guide*



Bulk Template

The concept of the Bulk LMF template is to provide servicers the capacity to submit LMF on multiple loans at one time. The bulk template contains all data fields contained in the LMF. This allows servicers the ability to extract the required data fields from their Asset Management system and copy and paste the data into the bulk LMF template for multiple loans for upload to PRS.

Submission Protocol




| Steps | Comments |
|--|---|
| Retrieve the Template | The bulk LMF template may be downloaded from the Blank Assessment Templates page of PRS under the Downloads on the main menu. Uploads will only be accepted in this format. The file is titled "Bulk_LMGT". |
| Understanding the LMF | Always enable the macro and Active X controls before using the template. |
| Complete the Template | Populate the required data fields in columns "A" to "U" |
| Verify the Template for Completeness — Submitting the LMF | <ul style="list-style-type: none"> • Validation Process: Perform completeness checks and validations in the template by clicking the "Validate" button. • Loan Status: Provides a status of "Complete" or "Incomplete". In bulk LMF submission, each loan record will have "Complete" or "Incomplete" status. At the time of submission only those loan records that have "Complete" status will be accepted by PRS. Assessment completeness feedback is provided in column "W" of the bulk LMF template. • Required Fields: By running field formatting validation within the template, fields requiring user input will show a red border around them. All red borders within the form need to be cleared before a loan record can have a "Complete" status. • Valid Data Format: Certain fields contain validation rules that check whether or not the value entered into the field is correctly formatted. Such fields contain comments regarding the format rule. You will have to meet all format rules for each loan record to have "Complete" status. |

See the bulk LMF template example below.

| | | | |
|---|-----------------------------|--|--------------------------|
| <input type="button" value="Validate"/> <input type="button" value="Clear Validations"/> <input type="button" value="Find Errors"/> <input type="button" value="Reset Find Format"/> | | <input type="button" value="Goto Status"/> | |
| <div>Required Data Fields</div>  | | | |
| Freddie Mac Loan Number | Servicer Loan Number | Property Name | Submission Period |
| 123456789 | 54321 | Test Property | 2024 |
| <div>Freddie Mac Loan Numbers</div>  | | | |
| | | | |
| | | | |
| | | | |
| | | | |
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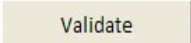
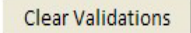
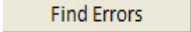
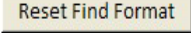
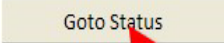
The following validation functionality is included in the Bulk Template:

| Name | Description | Example |
|-------------------|--|---|
| Loan Status | Each loan record will have a “Complete” or “Incomplete” status. PRS will skip loans that have “Incomplete” status and will only accept loans that have “Complete” status. | <div>Loan Status Complete</div> <div>Loan Status Incomplete</div> |
| Validate | Runs the field formatting validation. | <div>Validate</div> |
| Required Field | When validation is run in the template, a red outline on a data field indicates an input is required. Once data is entered into the field and the validation is run again, the red outline gets removed. Please note that the requirement criteria for certain fields is dependent on the response to other questions. | <div></div> |
| Clear Validations | Clears all errors identified during validation. | <div>Clear Validations</div> |

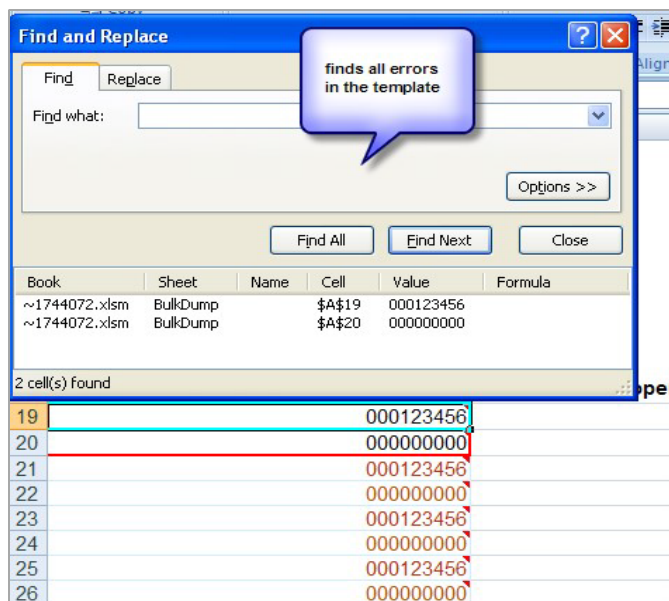
| | | |
|-------------------|---|---|
| Find Errors | Finds all errors on a worksheet. This is helpful if there are incomplete fields or other errors that are hard to find with the red outline indicator. |  |
| Reset Find Format | Resets the Find Format by clearing prior find errors execution. |  |
| Goto Status | Directs users to the column in the spreadsheet where loan statuses are displayed. |  |

Examples and Tips

You can determine the status of a loan by going to the loan status column. Please note that at the time of upload, loans that have “Complete” status will be accepted by PRS, while loans that have “Incomplete” status will be rejected.

| <div>     </div> | |  | |
|--|----------------------|---|-------------|
| Freddie Mac Loan Number | Servicer Loan Number | | Loan Status |
| 001234560 | 1245789 | | Complete |
| 001234561 | 1245790 | | Complete |
| 001234562 | 1245791 | | Complete |
| 001234563 | 1245792 | | Complete |
| 001234564 | 1245793 | | Complete |
| 001234565 | 1245794 | | Incomplete |
| 001234566 | 1245795 | | Incomplete |

Finding errors in the bulk LMF template is easier with the Find Errors functionality. This functionality allows you to skip to the errors for easier resolution.



The Freddie Mac loan number is a unique identifier and is required in every row in which data is provided. If you fail to provide the loan number, the Loan Status will indicate “Empty Row” and the information will not be captured.

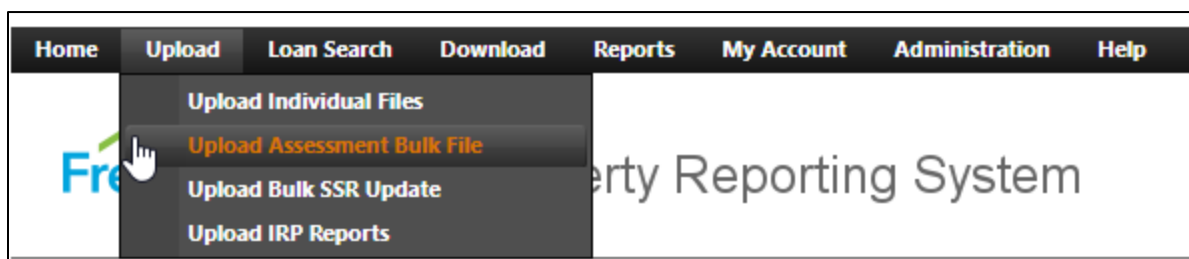
| | | |
|--|--|--|
| <div> <div>Validate</div> <div>Goto Status</div> <div>Clear Validations</div> <div>Find Errors</div> <div>Reset Find Format</div> </div> | <div>Freddie Mac Loan Number</div> <div>001234560</div> <div>001234561</div> | <div>Servicer Loan Number</div> <div>1245789</div> <div>1245790</div> <div>1245791</div> |
|--|--|--|

| Loan Status | |
|-------------|------------------------|
| Complete | |
| Complete | |
| Empty Row | Loan number is missing |
| Complete | |

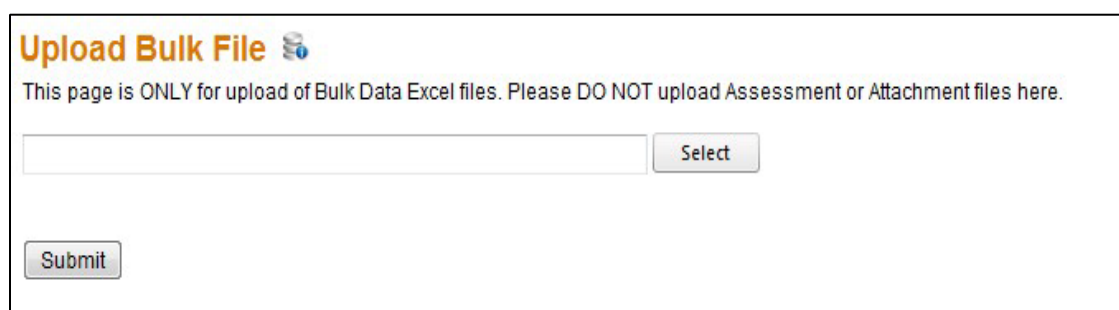
Bulk Upload Process

To upload a bulk LMF file, perform the following functions:

1. Click “Upload Assessment Bulk File” from the “Upload” menu.



This will take you to the Upload Bulk File page.



2. Enter the file path or click **Select** and locate your Excel file that is ready for upload.
3. Once the path has been entered, click **Submit**. The bulk file will upload and the loan records that have failed to be uploaded will be listed on the “**Upload Failures**” screen.

Note: The file naming convention below needs to be strictly followed for the bulk LMF template and required attachments for a successful upload into PRS.

| File Type | Document Naming Convention | File Type |
|----------------------|----------------------------|------------------------------------|
| Bulk Loan Management | Bulk_LMGT.xlsx | Excel file (.xls, .xlsx, or .xlsm) |

Viewing Uploaded Assessments in PRS

Upon successful upload, PRS will process each row (Assessment) as if it were an individual file and will append the row number and loan number to the file name. Failed Assessments can be corrected and uploaded again using the process described above.

Successful Assessments will be processed through PRS using the standard workflow queues. You can view the form for each assessment record by clicking “View LMF Form” from the Context menu in the assessment Queue Grid.