



## Interested in Becoming an SBL Seller/Servicer?

### Small Balance Loan (SBL) Seller/Servicer Standards

**Goal: Strong and Responsible Growth with Experienced SBL Seller/Servicers**

#### Expectations for all SBL Seller/Servicers

1. Be actively engaged in the small balance loan business today
2. Be operating as a lender, not a broker, who understands and upholds our credit vision
  - Maintains a dedicated small loan business unit, appropriately staffed for production, underwriting, servicing, technology and closing
  - Has proven experience evaluating, buying and holding multifamily investment risk
3. Have the financial and organizational ability and capacity to scale the platform to meet offering needs
4. Commit annually to produce minimum SBL loan volumes as specified under terms of approval and annual goal letters
5. Provide SBL with a unique strategic advantage that is not currently provided by the existing SBL Seller/Servicer network; be accretive to our business volume
6. Have an existing servicing portfolio of \$500 million or more
7. Commit to SBL offering via collateral posting requirements (currently 9% of each loan unpaid principal balance purchased by Freddie Mac)
8. Have proven experience to be able to actively participate in the SBL securitization process
9. Commit to purchase the resulting Seller-specific securitization subordinate bond

#### Ongoing Seller/Servicer Management

- Approvals will be evaluated annually
- SBL Seller/Servicers who don't meet the terms of their approval may be removed from the network at Freddie Mac's discretion