

**Exhibit 1: Underwriting Checklist (10/14/16)**  
**Section 1.2 Small Balance Loan Checklist**

This checklist indicates documents to be submitted to Freddie Mac in the underwriting package for the Small Balance Loan Delivery path. See Chapter 55 for a description of and detailed requirements for the delivery of each document. All documents must be uploaded to Freddie Mac [Document Management System \(DMS\)](#).

<b>Preliminary Underwriting</b>		
<b>(Submit at Preliminary Underwriting for Early Rate-Lock, and at Full Underwriting for Standard Delivery)</b>		
<b>Document:</b>		<b>Included</b>
1.	<a href="#">Loan Submission Template</a> <ul style="list-style-type: none"> <li>Property and loan data on Input tab, Seller's pro forma, rent and sales comparables, property's spread historical financial statements including collections, cash flow analysis and spread rent roll</li> <li>Upload to <a href="#">Origination and Underwriting System (OUS)</a> when complete</li> </ul>	<input type="checkbox"/>
2.	Underwriting Narrative <ul style="list-style-type: none"> <li>Including but not limited to borrower and property management information, organizational chart, identification of Guarantors and Borrower Principals, FICO score and financial information, strengths &amp; weaknesses, market, property and improvements description, etc., accompanied by a document analysis performed by Single Counsel</li> <li>A Conflict of Interest statement if a Conflict of Interest, as defined in the Glossary, exists</li> </ul>	<input type="checkbox"/>
3.	<a href="#">Property Inspection Form</a> including: <ul style="list-style-type: none"> <li>Lease audit, photos and description of units inspected</li> </ul>	<input type="checkbox"/>

<b>Full Underwriting</b>		
<b>(Submit at Full Underwriting for both Early Rate-Lock and Standard Delivery)</b>		
<b>Borrower Specific Documentation:</b>		<b>Included</b>
1.	<i>Borrower Certificate of Financial Condition</i> ( <a href="#">Form 1115-SBL</a> ) for Borrower and Borrower Principals	<input type="checkbox"/>
2.	<i>Real Estate Schedule</i> ( <a href="#">Form 1116</a> ) for Borrower and Borrower Principals	<input type="checkbox"/>
3.	Credit Reports	<input type="checkbox"/>
4.	Financial Statements of Borrower and Borrower Principals – certified or audited	<input type="checkbox"/>

Property Specific Documentation:		Included
5.	Property financial statements, including certified copies of the following: <ul style="list-style-type: none"> <li>• <b>Historical financial statements</b> with a minimum of two years (up to three years preferred)</li> <li>• <b>Current property financial statements</b> (T-12 strongly preferred; if not available, YTD required)</li> <li>• <b>Monthly Collections</b> (T-12 strongly preferred; T-3 required). If a certified financial statement including collected monthly net residential income (NRI) for at least the prior three months is provided, <a href="#">Form 1144</a> is not required. In absence of financial statements with net residential income, provide the <a href="#">Form 1144</a>.</li> <li>• <b>Borrower's budgeted</b> property financial statements, if available</li> <li>• <b>Rent roll</b> dated 45 days from upload date to DMS</li> </ul>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
6.	Blanket Certification for property financial statements and rent rolls	<input type="checkbox"/>
7.	Appraisal Report- Freddie Mac compliant narrative form* or short form ( <a href="#">Form 71A</a> ) in compliance with SBL Addendum/Seller/Servicer Guide requirements	<input type="checkbox"/>
8.	<i>SBL Physical Risk Report</i> - ( <a href="#">Form 1104</a> ) an abbreviated Physical and Environmental Report to be completed by a qualified consultant with testing limited to radon and PCBs, unless there is a known contamination that requires additional testing, or if required*, a full environmental report and property condition report	<input type="checkbox"/>
9.	Seismic Risk Assessment and other seismic risk documentation, if required by Chapter 16	<input type="checkbox"/>
10.	Flood zone determination (FZD)	<input type="checkbox"/>
11.	Zoning documentation, including certificates of occupancy if required* (if required but not available, the zoning report must contain the language specified in Chapter 8)	
12.	Real estate tax bill	<input type="checkbox"/>
13.	<i>Seller/Servicer Certification of Insurance Coverage</i> ( <a href="#">Form 1133</a> ) via Insurance Compliance Tool (ICT) submission	<input type="checkbox"/>
14.	Purchase and Sale Agreement, if acquisition	<input type="checkbox"/>
15.	If applicable, commercial lease documentation, including leases and <a href="#">the Commercial Lease Analysis and Estoppel (SBL)</a>	<input type="checkbox"/>
Other Documentation:		
16.	Updated Underwriting Narrative <ul style="list-style-type: none"> <li>• Including full underwriting information such as any material changes in property performance since preliminary underwriting including zoning, insurance, legal issues, and updated Seller proforma.</li> </ul>	<input type="checkbox"/>

\*Required on any loan >\$5 million, as acceptable to Freddie Mac.