

Loan Management Form FAQs

July 2024

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The Loan Management Form (LMF) focuses on the borrower’s compliance with mortgage requirements and highlights any other potential problems associated with the borrower or loan. Beginning in 2024, LMF submissions are due annually again. We created this FAQ document to provide clarity and guidance to commonly asked questions, ensuring that you have the information needed for a successful transition. If your question is not answered, please contact the [Multifamily Surveillance mailbox](#) so that we can address it and add it to this document.

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Frequently Asked Questions

What has changed between the prior version of the LMF and the new version?

The exclusion of insurance-related issues on the prior form has been removed. The new version of the form does not exclude insurance-related issues. Otherwise, the questions remain the same with the major change being the return to an annual submission timeline.

Why are you switching back to an annual LMF submission?

Since 2019, LMFs have been due on an as-needed basis when a relevant issue arose. Servicers were asked to contact us and request an LMF activity be created in the Property Reporting System (PRS). We found this wasn't happening as often as it should have been. To better manage the risk of our portfolio, we are returning to an annual deliverable to help ensure that issues are appropriately documented.

When are LMFs due in PRS?

Beginning with 2024 submissions, Freddie Mac will automatically add LMFs for every portfolio loan in PRS with a due date of 12/31 of that year. If at any time during the year, the servicer is made aware of any condition that merits reporting, an LMF must be submitted within 10 business days, regardless of the due date. If not submitted earlier in the year, the LMF must be submitted annually, on or before December 31 via PRS. The servicer may use the bulk LMF assessment submission for multiple submissions.

When will the first LMF be due for a loan?

The first annual LMF is required on 12/31 in the next year following the Note Date year. If something occurs prior to the first LMF due date that the servicer wants to report, please notify Freddie Mac by sending an email to the [Multifamily Surveillance mailbox](#).

Are securitized loans and PC loans included in the population?

Securitized loans are **not** included in the population, but PC loans are.

What if I've already submitted the form with an issue but another issue comes up during the same year?

The servicer must provide notification of any subsequent event by sending an email to the [Multifamily Surveillance mailbox](#).

What if I've already submitted the form showing no issues, but an issue comes up before the end of the year?

Please request a return of the activity in PRS so you can re-upload with the documented issue. We understand you may have a high volume of loans requiring LMF submissions at the end of the year, but we suggest waiting until the fourth quarter to submit them for loans with no issues in case something comes up. We also recommend utilizing the bulk upload functionality for quicker processing.

How should I report an issue that was reported in a prior year and hasn't been resolved yet?

If you submit an LMF with a specific issue in 2024, and this issue is not resolved in 2025, please submit the 2025 LMF noting the same issue. While it is our hope issues will or can be promptly resolved, please continue to report any unresolved issues annually.

What should I do when an issue is resolved in the same year it was reported?

If you have previously submitted an LMF noting a specific issue, and this issue has been resolved in the same year, please notify Freddie Mac by sending an email to the [Multifamily Surveillance mailbox](#).

How do I complete the form if there are no issues?

If using the individual template, select "no" in the drop-down for each question.

Note: Please do not provide any comments in the comment box if there are no issues.

If using the bulk template, write "no" for each of the questions in columns J – T.

Note: Please do not provide any comments in the comment box if there are no issues.

For detailed instructions on completing the LMF, whether or not there are issues, we recommend reviewing the [LMF Desk Reference](#).

If a Reservation of Rights has already been issued, do I still need to submit an LMF for the same issue?

Yes, if the Reservation of Rights (RoR) relates to any of the LMF questions, the issue still needs to be reported in the LMF even if there is an RoR already being tracked in PRS (LIT).

Should we report issues from 2023 or can we start with issues from 2024?

If there is an issue that hasn't been reported and remains unresolved, please include in the 2024 LMF. The timing of when it began does not matter. If an issue was not reported previously but has since been resolved, there is no need to report it now.

Should the LMF be submitted when any insurance coverage is force-placed?

Yes, the LMF should be submitted when any coverage is force-placed (including Business Interruption insurance). If we are hearing about coverage being force-placed, it is because it's required coverage that is either not in place or short of the required coverage level. Please specify in the comments.

Loan documents allow for a cure period for many non-monetary defaults. Can we submit the LMF after the cure period expires?

Yes, if the borrower has not cured the non-monetary default within the required time, please report it in the LMF. You do not need to report it before the cure period is over.

For new loans, there is often a time lag for UCC filings. Can we allow a one-quarter delay before an LMF is submitted?

Yes, similar to the cure period noted above, you can wait to report in the LMF a non-compliant UCC filing until after the reasonably allotted time for filing has passed.

Should issues noted on the AIF be noted on the LMF?

Physical issues that are reported on the Annual Inspection Form (AIF) need not be reported on the LMF. Conversely, if an issue reported on the AIF meets any of the conditions on the LMF form, it should still be reported.

If I'd like to discuss an LMF before I submit it into PRS, who should I contact?

We are more than happy to discuss an LMF with you if you have any concerns prior to submission. Please contact the [Multifamily Surveillance mailbox](#) and your email will be directed to the appropriate team member.

What resources are available to me to further understand the LMF requirements?

There are multiple resources available to you to help you better understand the questions and the templates:

1. [PRS Loan Management Form \(LMF\) Desk Reference](#)
2. [PRS Assessment Completion Best Practices](#)
3. *Multifamily Seller/Servicer Guide* [Chapter 40](#)
 - a. Section 40.2(b)
 - b. Section 40.6