



### COVID-19 SBL Inspection Guidance

Given the current market conditions and impact of COVID-19 nationwide, we have consolidated inspection and due diligence guidance for SBL inspections below. Please note we are not requiring anyone to enter occupied units at this time, however, inspections are a risk mitigant. We urge everyone to keep CDC safety guidelines in mind and follow them closely for any additional updates or guidance.

- Notify 100% of tenants (coordinate with property management company)
  - Try another unit (if unable to make prudent progress with selected unit)
  - Take a picture of the unit from the hallway – get an interior photo
  - Talk with the tenant through the door
    - Verify name, rent paid, how long as a tenant and property/unit condition
  - Mail or package check; ask property management to cross-check package names with rent roll name, as property management sorts packages for tenant delivery. Does the mail or package line up with rent roll?
  - If possible, verify that electric meters are running; tie out to overall occupancy or individual units
  - Request certifications from borrower
  - More lease audits
  - Information sources to support rent collected: general ledgers, cancelled checks, electronic payment receipts
  - Utility bills in tenant name

Additional Diligence Options	Freddie Mac	Lender	Appraiser	Engineer
- FM observed electric meters okay - Spoke with resident through door, verified rent, occupancy, condition - Enhanced lease review, 100% greater than minimum required, entire lease file, including application	Compliant FM Inspection, but no occupied units	Compliant Lender Inspection, but no occupied units	Compliant Appraiser Inspection	Compliant Engineer Inspection

<p>-observed electric meters okay <b>OR</b> copy of utility bill in resident name</p> <p>-Spoke with resident through door, verified rent, occupancy, condition <b>OR</b> verification of most recent month rent payment for 50% of units</p> <p>- 3 months bank statements</p> <p>- Enhanced lease review, 100% greater than minimum required, entire lease file, including application</p>	<p>No FM inspection</p>	<p>Lender Inspection, but no occupied units</p>	<p>Compliant Appraiser Inspection <b>OR</b> Compliant but no occupied units</p>	<p>Compliant Appraiser Inspection <b>OR</b> Compliant but no occupied units</p>
<p>Not applicable: Loan progress stops until inspections can be completed</p>	<p>No FM Inspection</p>	<p>No Lender Inspection</p>	<p>Compliant Appraiser Inspection <b>OR</b> Compliant but no occupied units</p>	<p>Compliant Appraiser Inspection <b>OR</b> Compliant but no occupied units</p>
<p>Not applicable: Loan progress stops until inspections can be completed</p> <p><b>**Note, if Appraiser &amp; Engineer unable to inspect, Lender &amp; FM inspections should not be completed.</b></p>	<p>No FM Inspection</p>	<p>No Lender Inspection</p>	<p>No Appraiser Inspection</p>	<p>No Engineer Inspection</p>

- The aforementioned allowances are provided as an accommodation in response to extraordinary market conditions. Freddie Mac reserves the right in its sole and absolute discretion to withdraw this accommodation at any time, with or without notice. Furthermore, notwithstanding the aforementioned allowances, Freddie Mac reserves the right in its sole and absolute discretion to require additional inspections and/or a full inspection for any loan.**

**Additional Guidance for Personal Health on Inspections**

- We are advising that third-party inspectors, engineers, appraisers, etc. are required to wear gloves.
- Third-party individuals should not conduct assessments if they are feeling sick.
- Management should tell residents they are not required to let them into their unit.