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# SBL UPDATE

## Back to Our Small Balance Roots

Even through a rocky market, we stay anchored to our Small Balance roots. [In this viewpoint](#), Steve Malloy reflects on many of our top achievements in 2022 and talks about leaning into our best execution in the year ahead.

## Third Party Reports Review Aids

Our Physical Risk group recently published [a tool](#) to aid lenders in your review of the Form 1104 (Physical Risk Report).

We hope this effort will help lenders revisit best practices related to Form 1104 requirements and prompt reviewers to dig deeper if an issue is identified. Knowing what to look for will also help build your expertise on Chapter 62SBL Physical Risk Report Requirements and may aid in conversations while conducting physical inspections.

As a reminder, this is **not** a replacement for review of the Multifamily Guide.

In your efforts to sharpen your third-party reports review skills, please revisit the [Appraisal Review: Sample Appraisal Review Form](#) and other related documents for helpful guidance on appraisals.

## Exception Requests in Pipeline Management Tool (PMT)

Please be sure to submit prescreen and exception requests in PMT prior to contacting the SBL production team. Failure to input these requests in a timely manner may result in approval delays or cancellation of the approval.

As a reminder, it is important to enter the exception or prescreen request even if the deal is considered lost shortly after the request is made. Freddie Mac uses this to help with consistency in exception decisions across all regions.



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