



## SMALL BALANCE LOAN UPDATE

### Freddie Mac Staff:

The email below will be sent externally to Multifamily customers and others who are subscribed to our news emails. You are receiving this email for information purposes only, and you may [update your email preferences at any time](#).

### Small Balance Loan (SBL) Lease Audit Requirement Clarification

In April, Freddie Mac provided guidance on requirements for completing virtual inspections. The guidance included additional due diligence items needed to mitigate the potential risks introduced by the use of virtual inspections. For virtual inspections:

- 50% of the leases audited must be from units inspected
- Number of leases audited is the greater of six units or 10% of the total number of units

Please note, the minimum number of leases audited is double the *Freddie Mac Multifamily Seller/Service Guide* requirement. No changes were made to the total number of units required to be inspected.

### Save The Date

Please mark your calendar to join us for a midyear review and discussion of pertinent topics on Monday, July 20.

### **SBL Business Update Call**

**Date:** Monday, July 20

**Time:** 3-4 p.m. ET

[Register Now](#)

## SBL Portfolios Take Off in the Western Region

Our SBL team in the Western region has been carrying out our mission for workforce housing this year through a variety of SBL portfolios. Check out the [recent article](#) to learn more!



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