

June 5, 2023

Freddie Mac Updates Property Valuation Method Disclosures

Freddie Mac, in alignment with Fannie Mae, is introducing several updates to the Property Valuation Method attribute within our Single-Family mortgage-backed securities (MBS) aligned disclosures. Effective June 20, 2023, a new enumeration called “Appraisal Waiver plus Property Data Collection – Condition (C)” will be added to the disclosure. Additionally, the current enumeration “Onsite Property Data Collection (P)” will be renamed to “Appraisal Waiver plus Property Data Collection – Value (P)” beginning September 1, 2023.

At this time, Freddie Mac offers the appraisal program that will be described as “Appraisal Waiver plus Property Data Collection – Condition (C)”, which is currently disclosed as “Onsite Property Data Collection (P)”. Beginning August 14, 2023, these loans will be disclosed under the new “C” enumeration for newly issued pools. All active Freddie Mac loans currently disclosed with the “P” enumeration will be updated to the “C” enumeration beginning with monthly disclosure files published on September 7, 2023. Fannie Mae will begin disclosing loans with the new “C” enumeration as of June 20, 2023. Any Freddie Mac commingled security as of that date may include Fannie Mae collateral disclosed under the “C” enumeration.

The addition of “Appraisal Waiver plus Property Data Collection – Condition” along with the updated description to “Appraisal Waiver plus Property Data Collection – Value” delineate between programs that leverage onsite property data collection to validate the value of the property (– Value) versus programs that leverage onsite property data collection to assess the condition of the property but are not used to validate the value of the property (– Condition).

In conjunction with this release, the [Single-Family MBS Disclosure Guide](#) will be updated to describe the enumerations of “C” and “P” as follows:

- **Appraisal Waiver plus Property Data Collection – Condition (C):** The appraisal is waived with the requirement that certain property data is collected onsite by a licensed or certified appraiser or trained data collector to ensure the condition of the property meets the GSE’s requirements but is not used to validate the value of the property.
- **Appraisal Waiver plus Property Data Collection – Value (P):** The appraisal is waived with the requirement that certain property data is collected onsite by a licensed or certified appraiser or trained data collector and used in a proprietary automated valuation model (AVM) to validate the value of the property.

Note: Prior to September 2023, “P” represents “Onsite Property Data Collection”.

For questions, please contact Freddie Mac Investor Inquiry by email at investor_inquiry@freddiemac.com.

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