Collateral Representation and Warranty Relief with an Appraisal: Uniform Collateral Data Portal Information



The Uniform Collateral Data Portal® (UCDP®) is a single portal for the electronic submission of appraisal data files to Freddie Mac, and facilitates the electronic collection of appraisal report data. Appraisal report forms for all conventional mortgages delivered to Freddie Mac must be submitted to the UCDP if an appraisal is required.

Loan Collateral Advisor® integrates with the UCDP and analyzes Uniform Appraisal Dataset (UAD) appraisal submissions in real time. Loan Collateral Advisor also evaluates the Form 70/1004, Uniform Residential Appraisal Report (URAR), and Form 465/1073, Individual Condominium Unit Appraisal Report, for collateral representation and warranty relief eligibility for the property value. Loan Collateral Advisor returns information in the UCDP regarding eligibility; however, the final decision of whether to grant such relief for property value is subject to loan eligibility checks in Freddie Mac Loan Selling Advisor®.

This reference provides details about what you need to know to successfully use the UCDP to take advantage of collateral rep and warranty relief with an appraisal. The following topics are included:

- Accessing Freddie Mac Collateral Rep and Warranty Relief Eligibility Messages
- Understanding the Collateral Rep and Warranty Relief Messages
- Additional Resources



Collateral rep and warranty relief may also be offered with Loan Product Advisor's automated collateral evaluation capability which provides the option to waive the appraisal requirements on certain loans. For information on automated collateral evaluation, refer to the Automated Collateral Evaluation job aid.

Accessing Freddie Mac Collateral Rep and Warranty Relief Eligibility Messages

You can access the Freddie Mac collateral rep and warranty relief eligibility messages within the UCDP from the *Appraisal: View/Edit* page or on the Freddie Mac Submission Summary Report (SSR). These messages are also available if you use a vendor-provided solution with an integrated system interface to the UCDP and should be located with the other Freddie Mac proprietary messages.

When the collateral rep and warranty relief message is returned, you will see a Freddie Mac-specific proprietary Hard Stop code, FRE000 or FRE001, under the *Freddie Mac* tab within the Hard Stops section, along with messages in the Findings section, as shown in the following examples.

Appraisal: View/Edit Page - Eligible

Hard Stop FRE000: Collateral R&W Relief Eligible



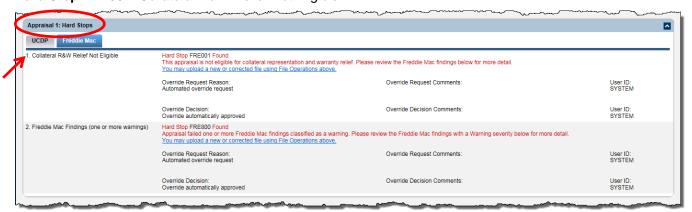


Findings Message FRE4000: This appraisal is eligible for the collateral representation and warranty relief for property value, pending an assessment of the loan.



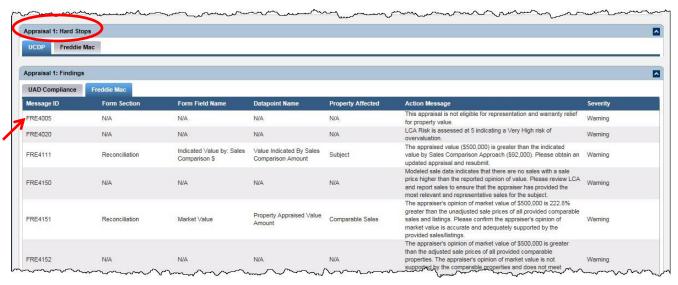
Appraisal: View/Edit Page - Not Eligible

Hard Stop FRE001: Collateral R&W Relief Not Eligible





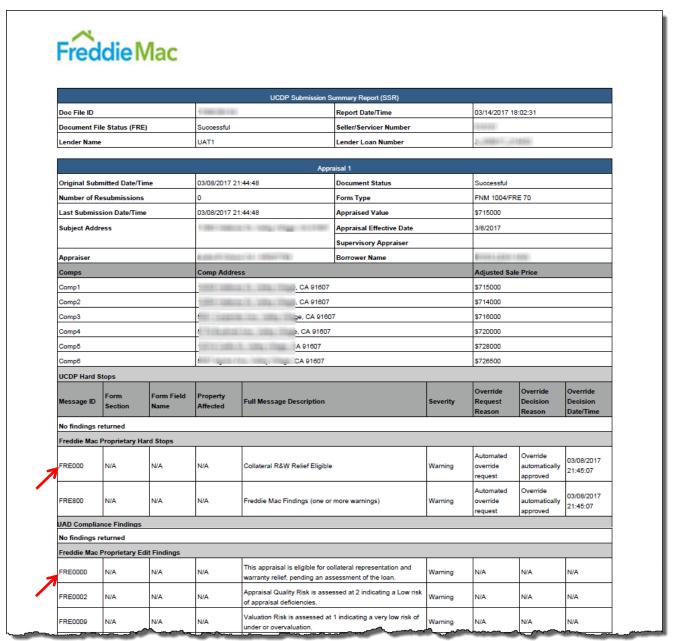
Findings Message FRE4005: This appraisal is not eligible for the collateral representation and warranty relief for property value.



You can also access these messages under the Hard Stops section and Findings section of the SSR. Within the SSR Report, scroll down to "Freddie Mac Proprietary Hard Stops" to view the Hard Stops and severity; and "Freddie Mac Proprietary Edit Findings" section to view the appraisal messages as shown in the following example.



SSR Report - Eligible



Understanding the Collateral Rep and Warranty Relief Messages

The collateral rep and warranty relief proprietary Hard Stops and Findings messages provide an early view into the appraisal's eligibility for collateral rep and warranty relief for property value. Receiving the Freddie Mac Hard Stop code FRE000 or FRE001 is a warning message and has no effect on a "Successful" submission status in the UCDP.

When the message indicates the appraisal is eligible, it is subject to final confirmation in Loan Selling Advisor. If eligible at time of delivery, collateral rep and warranty relief for property value is immediately granted upon purchase of the loan.



If an appraisal does not initially receive collateral rep and warranty relief for property value, use the messages in the Findings section to determine why a property may not be eligible. Based on the information provided, you may be able to address or correct issues with the appraisal report and resubmit. Upon resubmission, Loan Collateral Advisor will complete a new analysis and return the results in both Loan Collateral Advisor and the UCDP.

Keep in mind, if the appraisal is eligible for collateral rep and warranty relief for property value, you must still perform an appraisal review. Because the loan is relieved of collateral reps and warranties for property value, a comprehensive review may not be necessary. However, you should still ensure the appraiser has not provided a misleading appraisal and the property meets Freddie Mac requirements.

Additional Resources

If you have questions about UCDP functionality, please refer to the following resources:

- Uniform Collateral Data Portal web page
- Originate and Underwrite Learning Center web page

This document is not a replacement or substitute for the information found in the Freddie Mac Single-Family Seller/Servicer Guide or terms of your Master Agreement or other Pricing Identifier Terms.
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