# Loan Advisor in ECO



September 22, 2023 Release Notes

# **Overview of Changes:**

Freddie Mac Loan Advisor® in ECO now features the following new additions:

- **1. Collateral Offerings –**The Collateral Offering dashboard now has three new features: ACE, Hybrid Appraisal and Traditional Appraisal. These new features help you understand the collateral offering mix on your loans.
- 2. Collateral Performance The Collateral Performance dashboard now features new functionalities to identify the type of appraisal submitted in Loan Collateral Advisor and updated Hexmaps.
- 3. Loan Quality Advisor Loan Quality Advisor<sup>®</sup> dashboard now features a new affordable field in the Loan Level Details section.
- 4. Partial Asset R&W Relief Eligibility A new category has been added to the Asset Performance dashboard for applications that received partial asset representation and warranty (R&W) relief.

# 1. Collateral Offerings

# Terms used in this dashboard:

#### 1. Offerings

- There are now five offerings under Collateral:
  - i. ACE (Automated Collateral Evaluation)
  - ii. ACE+ PDR (Automated Collateral Evaluation + Property Data Report)
  - iii. Desktop Appraisal
  - iv. Hybrid Appraisal
  - v. Traditional Appraisal

#### 2. Adopted Rate (%)

Represents the percentage of loans delivered with the selected Collateral Offering out of the total number of delivered loans.

3. Take Rate (%)

Represents the percentage of loans delivered with the selected Collateral Offering out of the total number of delivered loans eligible for the offering in Loan Product Advisor<sup>®</sup>.

#### 4. Eligible Rate (%)

Represents the percentage of applications eligible for the selected Collateral Offering in Loan Product Advisor out of the total number of applications submitted.

#### 5. Total Applications

Count of unique applications submitted to Loan Product Advisor.

#### 6. Collateral Offering Eligible Applications

Count of unique applications submitted in Loan Product Advisor eligible for a specific collateral offering.



#### 7. Total Delivered Loans

Count of unique loans delivered to Freddie Mac.

#### 8. Collateral Offering Delivered Loans

Count of unique loans delivered to Freddie Mac for a specific collateral offering.

#### 9. Collateral Offering Delivered Rate (%)

Count of unique loans delivered to Freddie Mac for a specific collateral offering divided by the count of unique loans delivered to Freddie Mac.

# **Dashboard Access:**

To access this dashboard, click on the downward arrow icon in the homepage next to 'Loan Advisor' and select 'COLLATERAL OFFERINGS' listed under 'Rep & Warranty Relief – Funded View.'





Once the dashboard opens, you should be able to see the Collateral Offering dashboard summary view.



# Navigating the enhanced Collateral Offerings Dashboard

1. Header:

Name of the dashboard

2. Tabs:

There are three new tabs featured in this section in addition to the existing tabs ACE+ PDR and Desktop.

- i. **Summary:** Default tab that opens when the user selects Collateral Offering dashboard.
- ii. ACE (Automated Collateral Evaluation)
- iii. Hybrid Appraisal
- iv. Desktop Appraisal
- v. **Traditional Appraisal:** The user can view this tab only in the LPA Application view as the offering does not apply to the Loan Delivered view.
- 3. Filters: Loan Purpose filter is added with the existing filters Date range picker and Origination channel.

## 4. Key Performance Indicators

The KPI view is customized based on the tabs selected in Section 2.

- i. Loan Delivered view: Summary tab shows total delivered loans on the left and delivered rate for each offering under Collateral on the right.
- ii. LPA Application view: Summary tab shows total applications on the left and the eligibility rate for each offering under Collateral on the right.
- I. Tabs for each collateral offering will provide a quick view of both LPA application and Loan Delivered featuring:
  - Eligibility rate in %
  - Adopted Rate in %
  - Take rate in %





#### 5. Graph / Table

This grid shows a stacked bar chart for the offerings with each stack representing an offering. The same data is also available in table view for each offering under Collateral.

- 6. Exports: Export functionality has two options:
  - i. **PDF Export:** Download the summary as a PDF.
  - ii. Spreadsheet: Export the results in excel format.

# 2. Collateral Performance

Collateral Performance Dashboard now features new functionalities to identify the type of appraisal submitted in Loan Collateral Advisor and updated Hexmaps.

## **Dashboard Access:**

To access this dashboard, click on the downward arrow icon in the homepage next to 'Loan Advisor,' and select 'Collateral Performance' from the dropdown.

eco Evaluate Compare Optimize	Executive Summary +	Loan Advisor 🔸 🛛 Pur	rchase - Affe	ordable - Risk -	Servicing
		LOAN ADVISOR SUMMARY			
Executive Summary -	953	Rep & Warranty Relief Perform ACE PERFORMANCE	nance		Ť
Key Performance Indicators () HEE		ACE PERFORMANCE MAP			
TIME MONTH-OVERMONTH YEAR-OVER-YEAR YTD		ASSET PERFORMANCE			
A3555 A355	<b>(1995)</b>	INCOME PERFORMANCE		85850	
Purchase UPB (SM) Market Share	•	N Rep & Warranty Relief - Fundeo DAYS SAVED WITH R&W RELIEF ACE COST SAVINGS	d View Non LNAQ)	Servicing UPB (\$B)	
Data as of 07/21/22		COLLATERAL OFFERINGS		Data as of 6/93/2023	
		LOAN CLOSING ADVISOR			

Once selected, you will see the landing page below. Click on Appraisal Map icon to view the Collateral Performance Map updates.

Collateral Performance   HIDE					
Viewing: <u>PERFORMANCE REPORT</u> 6 MONTH TREND					
From: 2/1/2023	*Data shown is based on LCA Activ	ve Submissions			T FRTER CR&W Summary
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			Last Complete	d Calendar Month	
ELIGIBLE	608	49%)	130	58%	
NOTELIGIBLE	626	51%	94	42%	
Comp Selection/Adjustment Appropriateness	321	51%	58	62%	
Data Discrepancy	292	47%	42	45%	
Eligibility	149	24%	26	28%	
Report Completeness	66	11%	12	13%	
Report Inconsistencies	33	5%	3	3%	
Risk Level	539	86%	82	87%	
Valuation	266	42%	47	50%	
TOTAL CONSIDERED	1,234		224		
Data as of 6/22/2021 6:34:14 AM ET	PDF Execut	<u>Elipidity XLS</u>	Elipibility	Fallout XLS	

Once the dashboard opens, you'll see the Collateral Performance Map view. The map has been transformed to a hexagon map.

# List of enhancements in Collateral Performance

1. Tabs

Eligible and Not Eligible views are split into two tabs. Users can toggle between these views seamlessly.

2. Map

The state map has been transformed to a Hexmap view. The state hexagons act as filter for the rest of the visualizations.

3. Key Performance Indicators (KPIs)

Users can view KPI scores for Eligible and Not Eligible based on the tab selection. The state hexagons in the map view act as a filter for these KPIs.

### 4. LCA Score LCA Score can also be filtered by selecting the states in Hexmap.

- 5. Appraisal by Category and Appraisals by Message These charts appear only in the Not Eligible view and can be filtered using states in Hexmap as well. The messages can be filtered using the bars in the appraisal category.
- 6. Filters

To pass the selections in the view to PDF format, the user must select the state and category filter for PDF located at the bottom of the page.



# 3. Loan Quality Advisor

Loan Quality Advisor dashboard now features a new affordable field in Loan Level Details section.

# **Dashboard Access:**

To access this dashboard, click on the downward arrow icon in the homepage next to 'Loan Advisor,' and select 'Loan Quality Advisor' from the dropdown.



eco	Evaluate Compare Optimize			Executiv	e Summary *	Loan Advisor *	Purchase *	Afforda	ble -	Risk •	Servicing
	cans closed within the last AT days	loans closing today or in the next 15 days				LOAN ADVISOR SUM	MARY				
		PDF Export				Rep & Warranty Rel	lef Performance				
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						NOTAR DEDUCTION					
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			5	5 P22045 Investor Feature Identifier corresponding to the assessment b Advisor or Loan Quality Advisor is required for a Desktop Unde				en Product iter mortgage.	115		
Open Dashboard			Origina	Origination Channel Distribution		Loans 59% 347		First Time Quality			
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# New addition in Loan Quality Advisor

Below mentioned are the Loan Level fields that are offered.



Y Area Median Income Percent

Area Median Income Percent is the percent as computed by the borrower(s) qualifying annual income divided by the area median income amount for the Metropolitan Statistical Area (MSA) location of the subject property, at the time of loan origination.

# 4. Partial Asset R&W Relief Eligibility Additions

A new category has been added to the Asset Performance dashboard for applications that received partial asset representation and warranty (R&W) relief. This category is called "Eligible for Partial Asset R&W Relief" and has been placed in the Eligibility section of the dashboard.

# **Dashboard Access:**

To access this dashboard, click on the downward arrow icon in the homepage next to 'Loan Advisor', select 'Asset Performance' from the dropdown.

eco	valuare ompare ptimize	Executive Summary -	Loan Advis	or - Purchase -	Affordable -	Risk - Servicing		
Asset Pe	rformance   HIDE		LOAN ADV	ISOR SUMMARY				
Viewing: PERF	ORMANCE REPORT 6 MONTH TREND		Rep & War ACE PERFO ACE PERFO ACE IN LQ/ COLLATER ASSET PER INCOME PI	TRANTY Relief Performance DRMANCE DRMANCE MAP A PERFORMANCE IAL PERFORMANCE EFFORMANCE	shown is based on LPA Last Submissio	n. Asset R&W Relief : ▼ Service Provider (5) : (A5) Blend Finicity		
19, 56,5	214 Loan(s) out of 12 Assessed Loan(s)		Rep & War	rranty Relief - Funded View	Lost Completed Month Total	Plaid Plaid PlaintServ		
- Applicati	Description		ACE COST SAVINGS		Last Completed Month Total			
	Applications Assessed Successfully		5 LOAN CLO	SING ADVISOR	8,255	♥ Origination Channel :		
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	Critical Data Missing			¥.4	115 9	S Broker		
	LPA Risk Class		8,031	60%	1,132 91	s		
	Non Conforming		22	0%	a 0	5		
	Not Conventional		0	0%	0 0	5		
	Report ID Not Valid		249	37%	1 0	5 		
	Report Processing arror		41	0%	a 0	s		
	System Error		201	2%	9 1	5		
	LPA Requested a report from Third Party Service Provider		69,950		9,504			
- Eligible /	Unavailable / Not Eligible for Asset R&W Relief							
Data as of 6	28/2023 8:30:14 PM ET PDF Export	Total Applications XLS						

# New addition in Asset Performance

A new field will be available in the Total Applications XLS export named "Partial Eligibility" that shows the loans that are Eligible for Partial Asset R&W Relief. The export also contains flags on reason categories for why partial eligibility was received instead of full eligibility.

PDF exports also have been updated with the above-mentioned additions.

#### Terminology used in the dashboard:

**Partial asset representation and warranty relief:** (formerly referred to as source level representation and warranty relief) is offered when multiple asset sources are submitted through Loan Product Advisor and one or more of the asset sources receive asset rep and warranty relief, but additional sources of assets are required.