

# 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 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.

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## Appraisal: View/Edit Page – Eligible

### Hard Stop FRE000: Collateral R&W Relief Eligible

Appraisal 1: Hard Stops

UCDP Freddie Mac

1. Collateral R&W Relief Eligible

Hard Stop FRE000 Found  
This appraisal is eligible for collateral representation and warranty relief, pending an assessment of the loan.  
[You may upload a new or corrected file using File Operations above.](#)

Override Request Reason: Automated override request      Override Request Comments:      User ID: SYSTEM

Override Decision: Override automatically approved      Override Decision Comments:      User ID: SYSTEM

2. Freddie Mac Findings (one or more warnings)

Hard Stop FRE800 Found  
Appraisal failed one or more Freddie Mac findings classified as a warning. Please review the Freddie Mac findings with a Warning severity below for more detail.  
[You may upload a new or corrected file using File Operations above.](#)

Override Request Reason: Automated override request      Override Request Comments:      User ID: SYSTEM

Override Decision: Override automatically approved      Override Decision Comments:      User ID: SYSTEM

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

Appraisal 1: Findings

UAD Compliance Freddie Mac

Message ID	Form Section	Form Field Name	Datapoint Name	Property Affected	Action Message	Severity
FRE4000	N/A	N/A	N/A	N/A	This appraisal is eligible for representation and warranty relief for property value, pending an assessment of the loan.	Warning
FRE4020	N/A	N/A	N/A	N/A	LCA Risk is assessed at 1 indicating a Very Low risk of overvaluation.	Warning

Page size: 10      2 items in 1 pages

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## Appraisal: View/Edit Page – Not Eligible

### Hard Stop FRE001: Collateral R&W Relief Not Eligible

Appraisal 1: Hard Stops

UCDP Freddie Mac

1. Collateral R&W Relief Not Eligible

Hard Stop FRE001 Found  
This appraisal is not eligible for collateral representation and warranty relief. Please review the Freddie Mac findings below for more detail.  
[You may upload a new or corrected file using File Operations above.](#)

Override Request Reason: Automated override request      Override Request Comments:      User ID: SYSTEM

Override Decision: Override automatically approved      Override Decision Comments:      User ID: SYSTEM

2. Freddie Mac Findings (one or more warnings)

Hard Stop FRE800 Found  
Appraisal failed one or more Freddie Mac findings classified as a warning. Please review the Freddie Mac findings with a Warning severity below for more detail.  
[You may upload a new or corrected file using File Operations above.](#)

Override Request Reason: Automated override request      Override Request Comments:      User ID: SYSTEM

Override Decision: Override automatically approved      Override Decision Comments:      User ID: SYSTEM



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

Message ID	Form Section	Form Field Name	Datapoint Name	Property Affected	Action Message	Severity
FRE4005	N/A	N/A	N/A	N/A	This appraisal is not eligible for representation and warranty relief for property value.	Warning
FRE4020	N/A	N/A	N/A	N/A	LCA Risk is assessed at 5 indicating a Very High risk of overvaluation.	Warning
FRE4111	Reconciliation	Indicated Value by Sales Comparison \$	Value Indicated By Sales Comparison Amount	Subject	The appraised value (\$500,000) is greater than the indicated value by Sales Comparison Approach (\$92,000). Please obtain an updated appraisal and resubmit.	Warning
FRE4150	N/A	N/A	N/A	N/A	Modeled sale data indicates that there are no sales with a sale price higher than the reported opinion of value. Please review LCA and report sales to ensure that the appraiser has provided the most relevant and representative sales for the subject.	Warning
FRE4151	Reconciliation	Market Value	Property Appraised Value Amount	Comparable Sales	The appraiser's opinion of market value of \$500,000 is 222.8% greater than the unadjusted sale prices of all provided comparable sales and listings. Please confirm the appraiser's opinion of market value is accurate and adequately supported by the provided sales/listings.	Warning
FRE4152	N/A	N/A	N/A	N/A	The appraiser's opinion of market value of \$500,000 is greater than the adjusted sale prices of all provided comparable properties. The appraiser's opinion of market value is not supported by the comparable properties and does not meet	Warning

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

Freddie Mac									
UCDP Submission Summary Report (SSR)									
Doc File ID	[REDACTED]			Report Date/Time	03/14/2017 18:02:31				
Document File Status (FRE)	Successful			Seller/Service Number	[REDACTED]				
Lender Name	UAT1			Lender Loan Number	[REDACTED]				
Appraisal 1									
Original Submitted Date/Time	03/08/2017 21:44:48			Document Status	Successful				
Number of Resubmissions	0			Form Type	FNM 1004/FRE 70				
Last Submission Date/Time	03/08/2017 21:44:48			Appraised Value	\$715000				
Subject Address	[REDACTED]			Appraisal Effective Date	3/8/2017				
				Supervisory Appraiser	[REDACTED]				
Appraiser	[REDACTED]			Borrower Name	[REDACTED]				
Comps		Comp Address			Adjusted Sale Price				
Comp1	[REDACTED], CA 91807			\$715000					
Comp2	[REDACTED], CA 91807			\$714000					
Comp3	[REDACTED], CA 91807			\$718000					
Comp4	[REDACTED], CA 91807			\$720000					
Comp5	[REDACTED], CA 91807			\$728000					
Comp6	[REDACTED], CA 91807			\$728500					
UCDP Hard Stops									
Message ID	Form Section	Form Field Name	Property Affected	Full Message Description	Severity	Override Request Reason	Override Decision Reason	Override Decision Date/Time	
No findings returned									
Freddie Mac Proprietary Hard Stops									
FRE000	N/A	N/A	N/A	Collateral R&W Relief Eligible	Warning	Automated override request	Override automatically approved	03/08/2017 21:46:07	
FRE800	N/A	N/A	N/A	Freddie Mac Findings (one or more warnings)	Warning	Automated override request	Override automatically approved	03/08/2017 21:46:07	
UAD Compliance Findings									
No findings returned									
Freddie Mac Proprietary Edit Findings									
FRE0000	N/A	N/A	N/A	This appraisal is eligible for collateral representation and warranty relief, pending an assessment of the loan.	Warning	N/A	N/A	N/A	
FRE0002	N/A	N/A	N/A	Appraisal Quality Risk is assessed at 2 indicating a Low risk of appraisal deficiencies.	Warning	N/A	N/A	N/A	
FRE0009	N/A	N/A	N/A	Valuation Risk is assessed at 1 indicating a very low risk of under or overvaluation.	Warning	N/A	N/A	N/A	

### 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](#)
- [Freddie Mac Learning](#)

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