

Overview of Changes

Days Saved with Representation and Warranty (R&W) Relief Dashboard

- Total days saved calculation has been updated to better depict relative purchase and refinance submission based on total volume.
- Minor updates on value references and aesthetics for better user experience.

Automated Collateral Evaluation (ACE) Performance Dashboard

- Now includes a new category (Recent Appraisal) which flags applications with a recent appraisal with an effective date within 120 days from the initial Loan Product Advisor® (LPASM) submission date.

1. Days Saved with Rep and Warranty Relief Total Calculation Change

Prior to this release, Days Saved was calculated as the difference between Cycle Time when a particular type of rep and warranty relief relating to collateral, asset and income had been offered and the same Cycle Time when such rep and warranty relief was not offered on purchase, refinance and total loan submissions to Loan Product Advisor® (LPASM).

With this release, Days Saved is now calculated as the difference between Cycle Time when a particular type of rep and warranty relief relating to collateral, asset and income is offered and the same Cycle Time when such rep and warranty relief is not offered for purchase and refinance loan submissions only. Days Saved on the total submissions is now calculated as the weighted average of purchase and refinance loan submissions. The Data shown on the Days Saved dashboard remains unchanged and is based on LPA delivered loans by funded date.

We made this change in response to client feedback due to the recent surge in refinance activity.

| Old Calculation | Updated Calculation Under Info Button |
|---|---|
| <p>Cycle Time</p> <p>Time taken from First Application Date to Note Date.</p> <p>Days Saved</p> <p>Represents the days saved for a given offering*. It is defined as the difference of cycle time when R&W relief is received for an offering and when it is not for any offering (Baseline).</p> | <p>Cycle Time</p> <p>Time taken from First Application Date to Note Date.</p> <p>Days Saved (Purchase & Refinance)</p> <p>Calculates the days saved as the difference between Cycle Time when a particular type of R&W relief relating to Collateral, Asset and Income is offered and the same Cycle Time when such R&W relief is not offered for purchase and refinance loan submissions only.</p> <p>Days Saved (Total)</p> <p>Calculates the days saved on the total submissions as the weighted average of purchase and refinance loan submissions. This is calculated as (Purchase as a percent of Total Volume * Days Saved on Purchase) + (Refinance as percent of Total Volume * Days Saved on Refinance) across each row.</p> |

*NOTE: An offering refers to Freddie Mac’s offer to waive certain representations and warranties associated with the identified items.

2. Minor Updates on Days Saved with R&W Relief dashboard

- Days Saved Rest of Market has been moved to a new tab so it's easier to find and read and to improve the overall user experience.

- Days Saved Rest of Market now has the Purchase and Refinance split.

| REST OF MARKET AVERAGE DAYS SAVED BY OFFERING | | | | | | | | | | |
|---|--------------------|-----------------------------|-----------------|-----------------------|------------|---------------|--------------------|------------|--------------------|------------|
| Collateral: Appraisal | AIM | Collateral: Appraisal & AIM | Collateral: ACE | Collateral: ACE & AIM | | | | | | |
| 6 | 8 | 11 | 15 | 21 | | | | | | |
| Relief Received | Portfolio | | Purchase ROM | | | Refinance ROM | | | Total ROM | |
| | Average Cycle Time | Days Saved | % Total | Average Cycle Time | Days Saved | % Total | Average Cycle Time | Days Saved | Average Cycle Time | Days Saved |
| — Total | | | | | | | | | | |
| Total | 50.19 | | 23.32% | 42.98 | | 76.68% | 51.91 | | 49.83 | |
| — Key Metric Details | | | | | | | | | | |
| No R&W Relief | 51.20 | 0.00 | 46.55% | 45.94 | 0.00 | 53.45% | 63.92 | 0.00 | 55.55 | 0.00 |
| Collateral: Appraisal | 49.34 | 4.29 | 37.42% | 41.41 | 4.53 | 62.58% | 56.91 | 7.01 | 51.11 | 6.08 |
| AIM | 38.92 | 12.94 | 40.07% | 41.60 | 4.34 | 59.93% | 53.60 | 10.32 | 48.79 | 7.92 |
| Collateral: Appraisal & AIM | 45.54 | 9.94 | 29.64% | 39.42 | 6.52 | 70.36% | 51.46 | 12.46 | 47.89 | 10.70 |
| Collateral: ACE | 50.14 | 13.68 | 6.45% | 38.03 | 7.91 | 93.55% | 48.10 | 15.82 | 47.45 | 15.31 |
| Collateral: ACE & AIM | 44.00 | 21.39 | 2.00% | 38.24 | 7.70 | 98.00% | 43.03 | 20.89 | 42.94 | 20.63 |
| — Other Combinations | | | | | | | | | | |
| Asset | 45.16 | 7.02 | 31.77% | 42.47 | 3.47 | 68.23% | 55.01 | 8.91 | 51.03 | 7.18 |
| Collateral: ACE & Asset | 45.12 | 19.47 | 1.79% | 36.94 | 9.00 | 98.21% | 42.01 | 21.91 | 41.92 | 21.68 |

- No R&W Relief Offering row moved to the top as first row under Key Metric Details for easy reference.

| Before | After |
|---|--|
| <ul style="list-style-type: none"> — Key Metric Details <ul style="list-style-type: none"> Collateral: Appraisal AIM Collateral: Appraisal & AIM Collateral: ACE Collateral: ACE & AIM | <ul style="list-style-type: none"> — Key Metric Details <ul style="list-style-type: none"> No R&W Relief Collateral: Appraisal AIM Collateral: Appraisal & AIM Collateral: ACE Collateral: ACE & AIM |

- Total row added for all offerings together at the top of the dashboard.

| Relief Received | Purchase | | | | Refinance | | | | Total | | | |
|-----------------|----------|-------------------|--------------------|------------|-----------|-------------------|--------------------|------------|--------|------------------|--------------------|------------|
| | Volume | % of Total Volume | Average Cycle Time | Days Saved | Volume | % of Total Volume | Average Cycle Time | Days Saved | Volume | % of Grand Total | Average Cycle Time | Days Saved |
| Total | 3,551 | 15.56% | 37.65 | | 19,264 | 84.44% | 46.50 | | 22,815 | 100.00% | 45.12 | |

3. ACE Performance Dashboard – New Reason Code

- Recent Appraisal

ACE Performance report now has a new reason category under the Not Assessed for ACE header called **Recent Appraisal**. This category identifies applications that have a recent appraisal within 120 days from the initial LPA submission date and these applications will not be eligible for ACE. The new reason code is included in the ACE Eligibility, Appraisal Fallout on Last Submission, and Eligibility Fallout KPI calculations (does not apply to Appraisal Fallout on First Submission).

| KPI | | |
|--|---|--|
| <p>ACE Eligibility</p> <p>Portfolio ⓘ Synthetic Peer ⓘ</p> <p>50%</p> <p>114,342 Loan(s) out of 230,733 Assessed Loan(s)</p> | <p>Appraisal Fallout</p> <p>First Submission ⓘ Last Submission ⓘ</p> <p>0% 2%</p> <p>313 Loan(s) out of 462,643 Total Applications 9,224 Loan(s) out of 462,643 Total Applications</p> | <p>Eligibility Fallout Overall ⓘ</p> <p>12%</p> <p>15,481 Loan(s) out of 129,823 Eligible and Previously Eligible Loans</p> |

| New Reason Code |
|--------------------------|
| Not Assessed for ACE |
| ACE Unscored |
| Appraisal Received |
| Incomplete Address |
| LPA Risk Class |
| Max Value Exceeded |
| Non Standardized Address |
| Not Conventional |
| Recent Appraisal |
| Relief Refinance |