

# Loan Advisor in ECO

Release Notes | August 26, 2022

## Overview of Changes:

Freddie Mac Loan Advisor® in ECO®: Evaluate | Compare | Optimize® now features the following new enhancements:

### 1. Partial Income Representation & Warranty Relief Eligibility Additions

- a. Income Performance Dashboard – Employer Data
- b. Income Performance Dashboard – Self-Employed Data

### 2. ACE+ PDR Category Additions

- a. ACE Performance Dashboard
- b. ACE Performance Map

### 3. Return of Collateral Dashboards

- a. ACE Cost Savings Dashboard
- b. Collateral Offerings – Desktop Appraisal
- c. Executive Summary – Loan Advisor

## 1. Partial Income R&W Relief Eligibility Additions

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- A new category has been added to the Income Performance dashboard for both employer data and self-employed offerings where applications received partial income representation and warranty (R&W) relief. This category is called “Eligible for Partial Income R&W Relief” and has been placed in the Eligibility section of the dashboard.
- A new field will be available in the Total Applications XLS export named “Partial Eligibility” that shows the Applications that are Eligible for Partial Income R&W Relief. These updates apply to both employer data and self-employed income offering exports. 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 income representation and warranty relief:** (formerly referred to as source level representation and warranty relief) is offered when multiple income sources are submitted through Loan Product Advisor® (LPA<sup>SM</sup>) and one or more of the income sources receive income rep and warranty relief, but additional sources of income are required.
- **Viewing the new Partial Income R&W Relief in the dashboard:**
  - On the Income Performance dashboard, select “Employer Data” or “Self-Employed” from the “Income Offering” selection, then scroll down to the Eligibility section as shown below.

**Income Performance** | HIDE

Viewing: PERFORMANCE REPORT 6 MONTH TREND

From: 2/1/2022 To: 8/17/2022

**Income Offering** **Employer Data** \*Data shown is based on LPA Last Submission.

**FILTER**  
Income Performan...  
Service Provider (3)  
 (All)  
 BlendInsights  
 Equifax  
 Finicity  
Origination Channel...  
 (All)  
 Broker  
 Lender

**Eligibility**  
Portfolio **44%** Synthetic Peer **0%**  
16,908 Loan(s) out of 38,387 Assessed Loan(s)

Description	Date Range Total	Last Completed Month Total
- Eligible / Unavailable / Not Eligible for Income R&W Relief		
Eligible for Income R&W Relief	16,908 <b>44%</b>	2,224 <b>43%</b>
Eligible for Partial Income R&W Relief	172 0%	0 0%
Unavailable for Income R&W Relief	0 0%	0 0%
Not Eligible for Income R&W Relief	21,307 56%	2,892 57%
Accepted Source Documentation	1,414 7%	200 7%
Derived Income Not Calculated	0 0%	0 0%
Duplicate Employment	1,481 7%	195 7%
Employment History	11,439 54%	1,385 55%
Employment Related Data Issues	8,653 41%	1,200 41%
Frequency of Pay Rate	254 1%	33 1%
Income Fluctuation	4,421 21%	584 20%
Income Freshness	9,529 45%	1,324 46%

Data as of 6/2/2022 6:37:47 PM ET [PDF Export](#) [Total Applications XLS](#)

**Income Performance** | HIDE

Viewing: PERFORMANCE REPORT 6 MONTH TREND

From: 2/1/2022 To: 8/17/2022

**Income Offering** **Self-Employed** \*Data shown is based on LPA Last Submission.

**FILTER**  
Income R&W Reli...  
Service Provider (3)  
 (All)  
 CoreLogic  
 LoanBeam  
 LoanCraft  
Origination Channel...  
 (All)  
 Broker  
 Lender

**Eligibility**  
Portfolio **18%** Synthetic Peer **0%**  
1,657 Loan(s) out of 9,389 Assessed Loan(s)


**Total Applications with Self-Employed Borrowers** 30,925

**Self-Employed Missed Opportunity** 5,967

Description	Date Range Total	Last Completed Month Total
- Eligible / Unavailable / Not Eligible for Income R&W Relief		
Eligible for Income R&W Relief	1,657 <b>18%</b>	182 <b>17%</b>
Eligible for Partial Income R&W Relief	19 0%	0 0%
Unavailable for Income R&W Relief	0 0%	0 0%
Not Eligible for Income R&W Relief	7,713 82%	911 83%
Accepted Source Documentation	171 2%	18 2%
Business Existence Less Than 2 Years	0 0%	0 0%
Derived Income Not Calculated	472 6%	46 5%
Income Fluctuation	50 1%	11 1%
Ineligible Income Gain or Loss	31 0%	1 0%
Insufficient Tax Transcript(s) Data	0 0%	0 0%
Invalid Tax Return Years	531 7%	79 9%
Missing or Insufficient Service Provider Data	1,375 18%	149 16%

Data as of 6/2/2022 6:37:47 PM ET [PDF Export](#) [Total Applications XLS](#) [Self-Employed Missed Opportunity XLS](#)

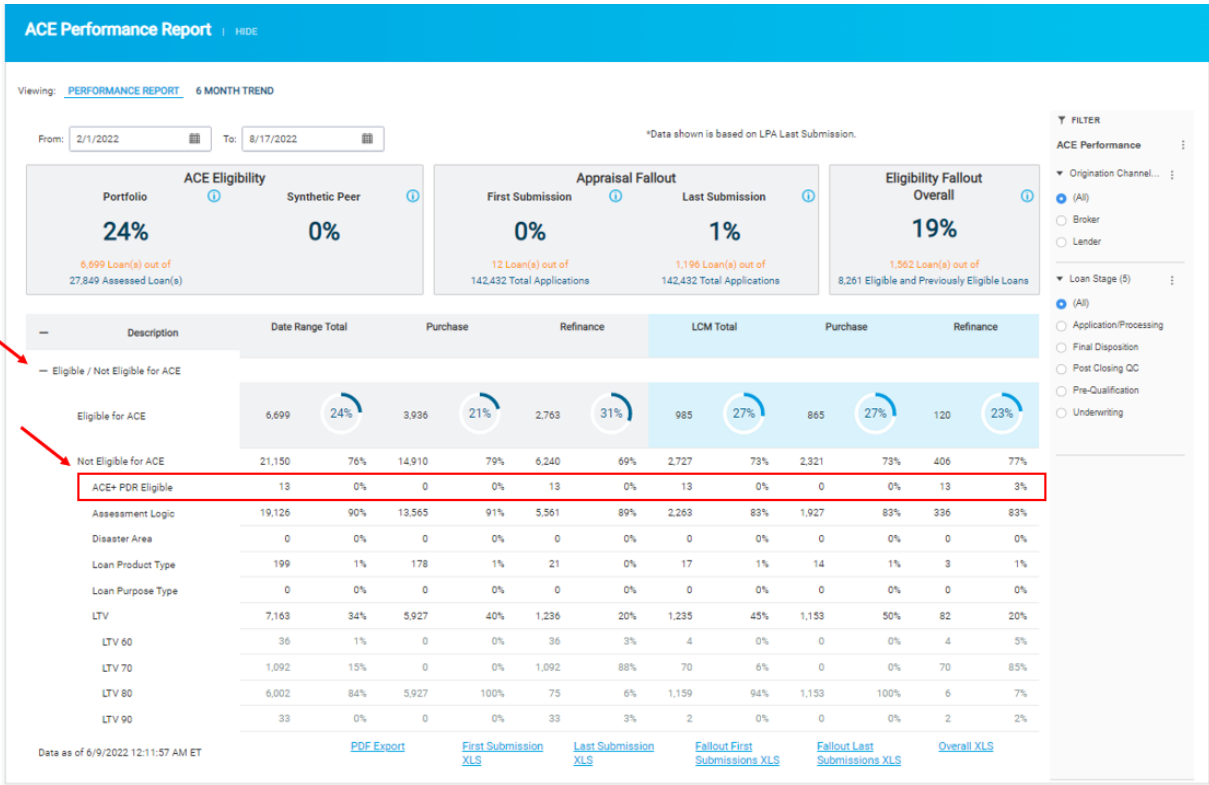
- **Viewing the new Partial Income R&W Relief in the Total Applications XLS export:**
  - On the Total Applications XLS export, scroll right to the Partial Eligibility column (col N) as shown below.



K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z
Applications Assessed Successfully	Applications Generally Not Assessed Successfully	Eligible	Partial Eligibility	Not Eligible	Unavailable	Accepted Source Documentation	Critical Data Missing	Customer Input Errors	Data Mismatch	Derived Income not Calculated	Duplicate Employment	Employment History	Employment Related Data Issues	Frequency of Pay Rate	Income Fluctuation
Yes	No	0	0	1	0	0	0	0	0	0	0	1	0	0	0
Yes	No	0	0	1	0	0	0	0	0	0	0	1	1	0	0
Yes	No	0	1	0	0	1	0	0	0	0	1	1	1	0	0
Yes	No	1	0	0	0	0	0	0	0	0	0	0	0	0	0
Yes	No	1	0	0	0	0	0	0	0	0	0	0	0	0	0
No	Yes	0	0	1	0	0	0	0	0	0	0	0	0	0	0
Yes	No	1	0	0	0	0	0	0	0	0	0	0	0	0	0
No	Yes	0	0	1	0	0	0	0	0	0	0	0	0	0	0
No	Yes	0	0	1	0	0	0	0	0	0	0	0	0	0	0
Yes	No	0	0	1	0	0	0	0	0	0	0	0	0	0	0
No	Yes	0	0	1	0	0	0	0	0	0	0	0	0	0	0

## 2. ACE+ PDR Category Additions

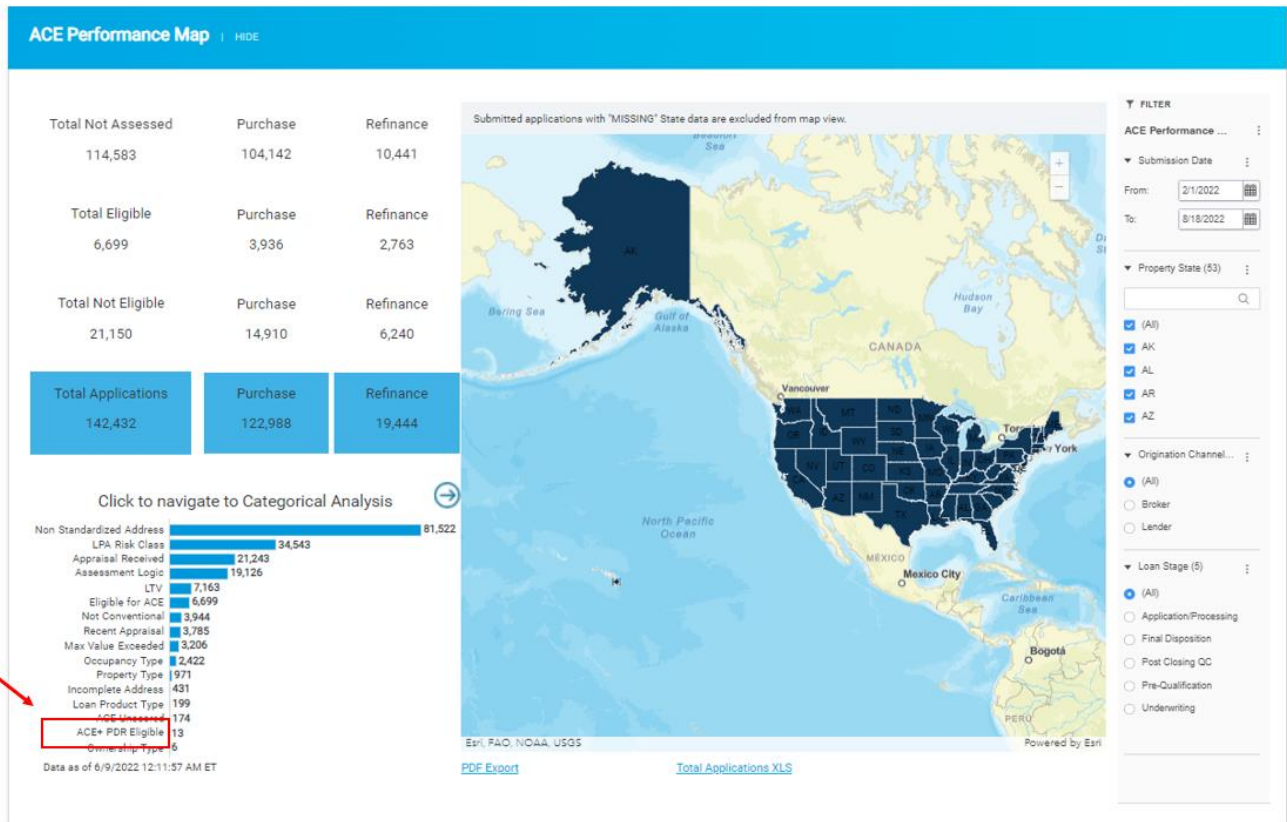
- **ACE Performance Dashboard**
  - New category of “ACE+ PDR Eligible” has been added to our ACE Performance Report dashboard and ACE Performance Map under the Not Eligible Reasons. This category shows applications that were offered ACE+ PDR (automated collateral evaluation plus property data report). The same category has also been added to PDF exports and the loan level details.
- **Terminology used in the dashboard:**
  - **ACE+ PDR:** a new offering that allows lenders to originate cash-out and certain no cash-out refinance loans without an appraisal. With ACE+ PDR, additional property information is physically collected on-site by trained data collectors using the proprietary Freddie Mac PDR dataset, in lieu of an appraisal.
- **Viewing the new ACE+ PDR category in the dashboard:**
  - On the ACE Performance Dashboard, scroll down to the Not Eligible for ACE reasons as shown below.



- Viewing the new ACE+ PDR Eligible field in the XLS export:
  - On the Total Applications XLS export, scroll right to the ACE+ PDR Eligible column (col AC) as shown below.

X	Y	Z	AA	AB	AC	AD	AE	AF	AG	AH
Non Standardized Address	Not Conventional	Property Price/ Value Missing	Recent Appraisal	Relief Refinance	ACE+ PDR Eligible	Assessment Logic	Disaster Area	Loan Product Type	Loan Purpose Type	LTV
0	0	0	0	0	0	0	0	0	0	0
1	0	0	0	0	0	1	0	0	0	0
0	0	0	0	0	0	1	0	0	0	0
0	0	0	0	0	0	1	0	0	0	1
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	1	0	0	0	0
0	0	0	0	0	0	1	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	1	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	1	0	0	0	0
0	0	0	0	0	0	1	0	0	0	1
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	1

- **Viewing the new ACE+ PDR category in the map:**
  - On the ACE Performance Map, look for the “ACE+ PDR Eligible” reason in the categorical breakdown.



### 3. Return of Collateral Dashboards

- We are bringing back some of the collateral dashboards that had previously been removed. The following dashboards are now available in ECO:
  - **ACE Cost Savings Dashboard**
    - This dashboard shows the amount that borrowers can save on appraisal costs and the amount borrowers could have saved with ACE if the lender had submitted to Freddie Mac without an appraisal.
  - **Collateral Offerings – Desktop Appraisal**
    - This dashboard shows Eligibility and Delivery of various collateral offerings, beginning with Desktop Appraisals.
  - **Executive Summary – Loan Advisor**
    - This dashboard shows a summary of the ACE Cost Savings over the past six months.