Collateral Underwriter™

Taking appraisal review to the next level

Collateral Underwriter (CU™) is a proprietary appraisal risk assessment application developed by Fannie Mae to support proactive management of appraisal quality.

Overview

- CU is the latest addition to Fannie Mae's comprehensive suite of risk management tools available to lenders.
- CU provides additional transparency and certainty by giving lenders access to the same appraisal analytics used in Fannie Mae's quality control process.
- CU performs an automated risk assessment of appraisals submitted to the Uniform Collateral Data Portal® (UCDP®) and returns a risk score, flags, and messages to the submitting lender.
- CU leverages an extensive database of property records, market data, and proprietary analytical models to analyze key components of the appraisal including data integrity, comparable selection, adjustments, and reconciliation.
- Fannie Mae is making CU available at no charge so lenders can take full advantage of the application for quality control and risk management purposes.

How to Use CU Risk Scores and Messages

- Lenders may use the CU risk score to segment appraisals by risk profile, resulting in more efficient resource allocation, workflow management, and collateral risk management processes.
- Risk flags identify appraisals with heightened risk of quality issues, overvaluation, and property eligibility or policy compliance violations.
- Detailed messaging directs reviewers to specific aspects of the appraisal report that may warrant further attention.
- Perform in-depth analysis using CU's dynamic web-based interface that includes comparable sales data, market trends, mapping, aerial photography, public records, and other functionality to assist with manual review of the appraisal.

RESOURCES

Collateral Underwriter (CU) FAQs

OnDemand eLearning courses, available 24/7, user interface registration information, helpful tips, and more on the CU web page

Appraisal Data Evolution

Data Standardization: The Uniform Appraisal Dataset (UAD) standardized critical data points on the appraisal.

Electronic Data Capture: UCDP has collected more than 15 million appraisals to date.

Data Quality Feedback: Fannie Mae Messages in UCDP provide basic property eligibility, data reasonableness, and compliance checks.

Fannie Mae Use: CU informs Fannie Mae's post-acquisition quality control process and Appraiser Quality Monitoring.

Getting CU Findings

A CU risk score, flags, and messages are provided in real time after an appraisal is submitted to Fannie Mae through the Uniform Collateral Data Portal® (UCDP®).

For in-depth appraisal analysis, access to the full CU web-based application is available to Fannie Mae sellers, and will be available soon to non-seller correspondents.

Starting in mid- April 2015, lenders will have the option to view the CU risk score, flags, and messages and other UCDP messages in DU® and EarlyCheck™, providing a more holistic view of risk on a loan across multiple applications.