



UNIFORM MORTGAGE DATA PROGRAM

INDUSTRY STAKEHOLDER INPUT PHASE 1 EXECUTIVE SUMMARY

From early 2018 through mid-October, the Freddie Mac – Fannie Mae UAD Working Group collected initial feedback from industry stakeholders in these categories: lenders, appraisal software and forms vendors, appraisers and appraisal management companies, industry trade groups and associations, and government agencies.

The feedback validated the project's high-level objectives and identified current pain points in three key areas.

HIGH-LEVEL OBJECTIVES

Respondents overwhelmingly validated the three objectives proposed by the working group:

1. Provide the industry with a higher degree of clarity of data that will be used to drive risk analytics and underwriting decisions.
2. Provide updates and additions to the existing data elements that are representative of the current appraisal and technology environment, but flexible enough to support future changes in a timely manner.
3. Redesign the appraisal forms to improve usability for all stakeholders.

PAIN POINTS

Stakeholders identified pain points with the current process that fall into three areas:

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| <p>① Data elements that comprise the UAD and are captured in forms:</p> <ul style="list-style-type: none">• Lack of standardization• Data shortcomings• Ineffective images• Data inflexibility• Lack of context to support analytics• Disparate data sources | <p>② Forms, including:</p> <ul style="list-style-type: none">• Static/inflexible, not dynamic• Sales comparison grid shortcomings• Lack of uniformity• Outdated certification language• Excessive information | <p>③ General comments:</p> <ul style="list-style-type: none">• Alignment – current data set and forms do not sufficiently align with USPAP and state regulatory requirements• High level of effort needed to implement new forms – allow time• Reduce total process time• Eliminate industry duplication• Overall this effort will be worthwhile despite level of effort to change |
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NEXT STEPS

Broader exploration of pain points and solutions with industry stakeholders will continue throughout 2019, and the GSEs will continue to provide periodic progress updates.



UAD & FORMS REDESIGN INITIATIVE

Freddie Mac and Fannie Mae (the GSEs) have launched an initiative (started in May 2018) to update the Uniform Appraisal Dataset (UAD) and uniform appraisal reporting forms. The UAD and Forms Redesign initiative will leverage extensive stakeholder input to update the appraisal dataset, align it with the industry-standard MISMO® Reference Model Version 3.X, and overhaul the uniform appraisal forms to establish a more flexible, dynamic structure for appraisal reporting.

This work is designed to provide greater clarity to lenders, borrowers, and investors; simplify appraisal reporting and reviewing; and build a foundation for appraisal modernization.

Visit the [UAD web page](#) for more details about the UAD & Forms Redesign initiative.

This initiative is under the auspices of the Uniform Mortgage Data Program® (UMDP®), an effort undertaken jointly by the GSEs at the direction of the Federal Housing Finance Agency to enhance data quality and standardization.



Fannie Mae®

This communication relates to the Uniform Mortgage Data Program®, an effort undertaken jointly by Freddie Mac and Fannie Mae at the direction of the Federal Housing Finance Agency.