Freddie Mac and ICE Collaborate to Help Lenders Improve Loan Quality

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LAS VEGAS, March 19, 2024 (GLOBE NEWSWIRE) -- Freddie Mac (OTCQB: FMCC) and Intercontinental Exchange, Inc. (NYSE:ICE), a leading global provider of technology and data, today announced they're working together to bring greater loan quality to the mortgage origination process so lenders can effectively serve more borrowers while reducing risk. The collaboration will leverage both companies' automation technologies and solutions to help lenders quickly and efficiently underwrite mortgage loans starting at the point of sale.

"We're joining forces with ICE to combine our organizations' unique strengths to help more lenders deliver higher quality mortgages in this challenging market," said Kevin Kauffman, Freddie Mac Single-Family Senior Vice President of Seller Engagement. "Our collaboration with ICE builds upon Freddie Mac's commitment to improve loan quality from origination through delivery so we can help reduce defects, lower costs and bring greater efficiency to the mortgage origination process."

The announcement was made during the ICE Experience 2024 conference, an annual event that gathers together thousands of leaders in the real estate and housing finance industries to showcase the latest technologies driving the digital mortgage market forward, from ICE as well as other industry participants.

"ICE is on a mission to make the path to homeownership as fast, transparent, accessible, and simple as possible," said Tim Bowler, President of ICE's mortgage technology division. "Our innovations are targeting core issues associated with the cost and turn times of mortgage origination. We're proud to collaborate with Freddie Mac on the critical matter of improving loan quality to streamline the housing finance market and help minimize related repurchases."

Over the last two years, Freddie Mac has announced automated capabilities that allow lenders to use asset and employment data to verify a borrower's assets, income and employment, as well as consider cash flow and rent payment history in the risk assessment.

Kauffman added, "As more lenders consider adopting digital tools to mitigate risk and drive improvement in overall loan quality and portfolio performance, this effort signifies the next level of industry collaboration."

Recent analysis shows that loans originated by lenders leveraging certain Freddie Mac automated offerings are up to four times less likely to produce defects than loans without these technology offerings. Process automation is especially beneficial for documenting income, both in the collection and assessment process. That's vitally important because income verification issues account for nearly one-third of all purchase transaction defects.

About Freddie Mac
Freddie Mac's mission is to make home possible for families across the nation. We promote liquidity, stability, affordability and equity in the housing market throughout all economic cycles. Since 1970, we have helped tens of millions of families buy, rent or keep their home. Learn More: Website | Consumers | Twitter | LinkedIn | Facebook | Instagram | YouTube

About Intercontinental Exchange
Intercontinental Exchange, Inc. (NYSE: ICE) is a Fortune 500 company that designs, builds, and operates digital networks that connect people to opportunity. We provide financial technology and data services across major asset classes helping our customers access mission-critical workflow tools that increase transparency and efficiency. ICE's futures, equity, and options exchanges -- including the New York Stock Exchange -- and clearing houses help people invest, raise capital and manage risk. We offer some of the world's largest markets to trade and clear energy and environmental products. Our fixed income, data services and execution capabilities provide information, analytics and platforms that help our customers streamline processes and capitalize on opportunities. At ICE Mortgage Technology, we are transforming U.S. housing finance, from initial consumer engagement through loan production, closing, registration and the long-term servicing relationship. Together, ICE transforms, streamlines, and automates industries to connect our customers to opportunity.

Trademarks of ICE and/or its affiliates include Intercontinental Exchange, ICE, ICE block design, NYSE and New York Stock Exchange. Information regarding additional trademarks and intellectual property rights of Intercontinental Exchange, Inc. and/or its affiliates is located here. Key Information Documents for certain products covered by the EU Packaged Retail and Insurance-based Investment Products Regulation can be accessed on the relevant exchange website under the heading "Key Information Documents (KIDS)."

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995 -- Statements in this press release regarding ICE's business that are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of additional risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see ICE's Securities and Exchange Commission (SEC) filings, including, but not limited to, the risk factors in ICE's Annual Report on Form 10-K for the year ended December 31, 2023, as filed with the SEC on February 8, 2024.

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