



## Freddie Mac Loan Advisor Suite(SM) to Cut Mortgage Loan Origination Costs

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### Collateral representation and warranty relief to follow shortly

MCLEAN, VA--(Marketwired - Oct 24, 2016) - [Freddie Mac](#) (OTCQB: FMCC) today announced that it will add new capabilities to Loan Advisor Suite designed to take costs out of the loan origination process. Loan Advisor Suite is a smart end-to-end technology solution designed to reduce costs and provide greater certainty and valuable insights throughout the loan production process. The new capabilities that will be available in spring 2017 include:

- A no-cost automated appraisal alternative,
- Automated borrower income verification,
- Automated borrower asset verification, and
- Automated assessment of borrowers without credit scores.

In addition to these capabilities, Loan Advisor Suite expects to broadly offer collateral representation and warranty relief in early 2017; it's intended to significantly relieve mortgage lenders from the risk of loan repurchase due to appraisal defects. Currently, Freddie Mac offers collateral representation and warranty relief in select circumstances.

"These powerful enhancements are indicative of the dramatic changes happening in financial services globally," said David Lowman, executive vice president of Freddie Mac's Single-Family Business. "As the cost of originating a mortgage has more than doubled since before the financial crisis, we're collaborating with lenders to create innovative tools that reduce the costs of producing and selling high-quality loans to us."

By providing automation and transparency in the loan production process, Loan Advisor Suite assesses credit, capacity, and collateral to help lenders validate the quality of the loans they originate. The tools cover the entire loan lifecycle from loan application to closing and beyond.

"We have more than 40 years of historical data that provides the foundation of Loan Advisor Suite. By pairing big data with advanced analytics, we're creating efficiencies and reducing costs for lenders and borrowers," said Andy Higginbotham, senior vice president of strategic delivery for Freddie Mac's Single-Family Business.

Loan Advisor Suite currently features the following tools and capabilities:

- Loan Product Advisor(SM), Freddie Mac's next-generation automated underwriting system.
- Loan Collateral Advisor(SM), an appraisal quality and valuation risk tool.
- Loan Quality Advisor®, which assesses loan data to help lenders determine if a loan is eligible for sale to Freddie Mac.
- Loan Closing Advisor(SM), which helps lenders close loans with confidence and reduces repurchase risk related to closing data.
- Loan Coverage Advisor®, which tracks the representation and warranty obligations of every loan sold to Freddie Mac.
- Business Intelligence, which monitors detailed data to help lenders produce high-quality loans.

For more information, click here: <http://www.freddiemac.com/loanadvisorsuite/>.

Freddie Mac was established by Congress in 1970 to provide liquidity, stability and affordability to the nation's residential mortgage markets. Freddie Mac supports communities across the nation by providing mortgage capital to lenders. Today Freddie Mac is making home possible for approximately one in four home borrowers and is the largest source of financing for multifamily housing. Additional information is available at [FreddieMac.com](#), Twitter [@FreddieMac](#) and [Freddie Mac's blog](#).

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