



Enhanced Collateral Risk Assessment for Post-Closing QC Reviews

Frequently Asked Questions

We have enhanced the collateral assessment requirement for lender post-closing quality control (QC) reviews. Effective May 5, 2021 (*Selling Guide* [Announcement SEL-2021-04](#)), we replaced the previous requirement with a new collateral risk assessment for all loans selected for a QC review in the random sample, and removed the requirement for appraisal field reviews on 10% of the sample.

Q1. Why did Fannie Mae eliminate the appraisal field review requirement from the *Selling Guide*?

It is important to remember the intent of the field review requirement, which was two-fold. First, validate the accuracy of the information used in constructing the appraisal, and second, confirm that the value for the subject property was supported. The requirement to reverify the origination appraisal with a field review was put in the *Selling Guide* at a time when access to data and information needed to independently assess the quality of the origination appraisal was limited. Given advancements in data standardization and the advent of market-leading technology like Collateral Underwriter® (CU®), the ability to assess the origination appraisal is not limited solely to field reviews.

Q2. With this change, Fannie Mae eliminated the mandatory field review requirement and refreshed the desk review requirement. Does Fannie Mae have any resources to assist quality control reviewers with performing an effective collateral risk assessment?

Yes, this optional assessment worksheet, [Form 1033, Post-Closing QC Collateral Risk Assessment Analysis](#), will assist you in a comprehensive review of the origination appraisal, but, is not a substitute for the requirements in the *Selling Guide*.

Q3. Is the Fannie Mae form required as evidence of a quality control review?

No, the Fannie Mae form is not mandatory; however, some form of evidence of an effective evaluation of the origination appraisal is required in your quality control file. This will be tested for as a part of the Fannie Mae Mortgage Origination Risk Assessment review.

Q4. Does Fannie Mae offer training to help quality control teams learn how Collateral Underwriter can help them evaluate the impact of messages and flags on the quality of the origination appraisal?

Fannie Mae has many training resources on the [CU Help & Training page](#).

Q5. Can aggregators get access to the CU casefiles from their seller correspondents so they can leverage the CU tools for effective QC reviews?

Yes – refer to the [UCDP Appraisal Sharing Job Aid for Correspondents](#).



Q6. **Must lenders perform a collateral risk assessment on loans with appraisal waivers?**

No; however, your quality control review should validate that the loan was eligible to use an appraisal waiver.

Q7. **What if a lender is unable to reconcile, determine, assess, or conclude the accuracy of the origination appraisal?**

You may order a desk review or field review from a licensed appraiser to reconcile the issues. In your work order for the respective product, you should specifically request that they address the questions or items you need addressed as a part of their evaluation.

Q8. **What if after a collateral risk assessment, a lender determines that the property was ineligible or that the value was not supported?**

Similar to your current practice when utilizing a desk review or field review, if your analysis determines that the property was not eligible or the value was not supported, which results in an ineligible loan or insufficient mortgage insurance coverage, the loan must be self-reported to Fannie Mae per requirements in the *Selling Guide* [D1-3-06](#).