ClearQC®

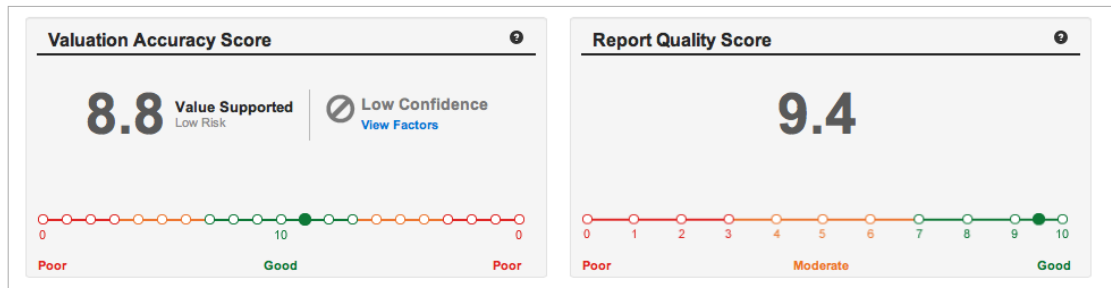## Finally, an automated review tool that thinks and learns, just like you.

Overview

ClearQC examines Appraisals and BPOs from any valuation provider identifying risky or erroneous reports. The highly dynamic and tailorable rule sets are designed to think like you, calculating scores and rule results that help focus your valuable review time on the right reports.

With ClearQC, Clear Capital® provides the proprietary rule sets and logic powering our highly accurate valuation reports since 2001. You can alter the rule severity weights, tolerances and logic; even add your own specific rules to the configurable rule sets. These unique rule sets help determine the scores that will ultimately save you time and support smarter decisions.

1. The Report Quality Score has sophisticated algorithms that gauge the accuracy and soundness of the report while the Valuation Accuracy Score provides the most probable range of values for a subject property. Both are visually accessible on page one of the ClearQC report.

Key Benefits

- **Eliminates secondary reviews** or use of third-party data sources

- Configured to meet your specific business requirements with **dynamic rule sets**

- **Uncovers systemic issues** related to a particular group of properties

- **Identifies red flags** for internal review teams, highlighting reports where further due diligence is required

- Functions as an **internal audit tool** standardizing quality assurance across multiple valuation providers

- **Ordered in real time**, seamlessly and securely, through direct integration (via XML) from our platform

- Offers **transaction pricing with no hidden costs** or extra transaction fees that come with other platforms

Uses for ClearQC

ClearQC's dynamic and customized algorithms deliver actionable information to help you make informed decisions. You'll find our user-friendly interface and seamless integration not only a pleasant experience but a true time saver when:

- Ensuring accuracy and adherence to specific underwriting guidelines and industry compliance in the loan origination process

- Quickly identifying quality issues in the loan servicing process

- Evaluating large loan pools, prioritizing assets with higher risk that require an investor's additional attention

Clear Capital®

What is Clear Capital's ClearQC®

ClearQC delivers much more than a score. It provides a detailed narrative and data on each rule that was run in the analysis of the valuation report. The rules provide a rich account on the data considered, underlying logic and severity of the issue. This actionable information helps the human reviewer more efficiently find the risks in a report or on a property, and then determine whether the original opinions and conclusions in the report are reliable.

🚩	Valuation Accuracy	Valuation	**Valuation Analysis** The report appears to be well supported at $67,000.	1.2 (0.0 - 10.0)	Passed
	Report Quality	Analysis / Methodology	**Subject and Comp Bed/Bath Check** Less than 4 comps (3) have bed/bath counts within 1/0.5 of the subject (Bed=3, Bath=1).	- 0.5	Failed
	Report Quality	Data Accuracy	**Public Record Subject Age Check** The public record year in which the subject was built (*1953*) seems to indicate an age (60 years) that is inconsistent with what was supplied (*55*, interpreted as 55 years).	- 0.1	Failed

2. A sampling of hundreds of standard rule sets run through ClearQC.

Dynamic Rule Sets

ClearQC's rule sets emulate an appraiser's complex logic as specific technical checks are performed. Rules can highlight market variances such as bracketed comparable values, prior sales, value range conclusions, etc. Your dedicated Clear Capital® Customer Account Team will work directly with you to evaluate, modify and implement rules that best align with your unique rules and tolerances. Rules can be sorted and filtered to show those that passed and failed or to specific categories for ease of analysis. We also provide you with explanations of why rules failed.

Access to Clear Capital's Database

Since 2001, we've been working with Real Estate Brokers, Agents and Appraisers to understand their local market trends. Brokers, Agents and Appraisers provide sales and listing comparables and subject details related to specific properties that are then run through ClearQC and cross-referenced against our historic data sets, public record data sets as well as our current and future data sets as provided by the Clear Capital Home Data Index™.

Valuation and Report Quality Scores

Transparency is at the core of ClearQC. Any quality control system can just deliver a score. However, ClearQC shows you how scores are calculated based on your unique rule sets. Maps and graphics provide deeper insight on the valuation report being reviewed and in context to other potential comparables. ClearQC considers issues associated with the property's value to be "risk factors." Our algorithms review valuations where suitable comparables were not available or if a report is not in alignment with the values in our extensive database of properties. Our algorithms also assess the risk of overvaluation or undervaluation and the severity. Issues related to the analysis of the property, such as incorrect or incomplete information within a valuation report, are considered "quality factors."

Confidence Scores

Confidence metrics are indicators of the reliability of the Valuation and Report Quality Scores. ClearQC's algorithms calculate a score with a higher level of confidence from more accurate and accessible data and an understanding that the subject property and market are homogeneous.

Mapping and Geographic Analysis

ClearQC maps the subject, original comparables and Clear Capital's top ranked comparables to better understand neighborhood dynamics and the data used in the report.

Supplemental Value Plot

The Appraisal or BPO value and date of sale is quickly and visually compared to all supporting comps in the value plot to help expedite the review process.

About Clear Capital

Clear Capital has served as a trusted partner for clients across the mortgage and lending industries, providing loan valuation outsourcing and data analytics for mortgage originators, secondary market institutions, servicers, and resellers for properties across the United States. We use the most progressive technologies available and hands-on analytics to deliver highly accurate and reliable tools, including Appraisals, Value Reconciliations, Broker Price Opinions (BPOs), Property Condition Inspections (PCIs), Commercial Valuations, Automated Valuation Models (AVMs), Home Data Indices (HDIs), Bloomberg/Home Data Index Subscription, and Quality Assurance Services.

We're grateful for your consideration of Clear Capital as a potential partner, and look forward to a long, trusted relationship. For more information about us, please call 530.550.2525 or visit www.ClearCapital.com.

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