






Collateral Desktop Analysis (CDA)®

An exhaustive review and analysis of any appraisal, from any time period.

Overview

Even origination appraisals with accurate values can contain discrepancies, errors or inconsistencies that will introduce risk not only today but even tomorrow. To prevent loss and raise confidence, Clear Capital created the Collateral Desktop Analysis (CDA), a Ratings Agency recognized risk assessment review product.

The CDA re-evaluates the entire origination appraisal, validating its integrity, not just the value. Our exhaustive review extends to any misrepresentation or non-disclosure of prior transactions of both the subject and comparables. We use multiple sources, including Clear Capital's market tools and local market data, to deliver a detailed analysis of the origination appraisal and subject's competitive market at the effective date, whether that's yesterday or two years ago.

 Risk Score: High Risk Value change >10%, analysis reveals significant deficiencies. Additional Review Recommended.		CDA Value: \$160,000				
 Additional Review: Recommended		CDA Value to Appraisal Value: -25.6% <small>((CDA Val - Appraisal Val) ÷ Appraisal Val) x 100</small>				
 Eligibility Alert: No Eligibility Issue Noted						
	CDA Value	\$160,000	Effective Date	03/05/2008	Performed By	Sample
	Appraisal Value	\$215,000	Effective Date	03/05/2008	Performed By	Sample

1. Value conclusion, variance from appraised value, levels of risk, recommended next action, and eligibility issues are front-and-center.

Key Benefits

- **Data-rich**, easy-to-reference report includes risk alerts and indicators, comparable characteristic grids, market trend graphs, aerial imagery and maps.
- Well-defined **appraiser narratives** are supported by empirical data and performed by a licensed and/or certified appraiser.
- CDA can be run **retrospectively** or on **current** origination appraisals.
- **A local broker/agent** from the subject's immediate market verifies the subject and comparable history to **local market data** and their local market knowledge.
- **100% nationwide coverage** that ensures we'll do whatever it takes to complete reports. Heard of Elbow Lake, MN or Deeth, NV? We have.
- Market analysis considers Clear Capital's **proprietary data sources**, Clear Capital Home Data Index™, and public record data sources.
- 100% of all reports are subjected to Clear Capital's **human quality assurance** process to ensure the final report meets our high standards of quality prior to delivery.
- Multiple delivery options including PDF reports, customizable .csv formats or direct integrations.

Uses for the CDA

This USPAP compliant desktop appraisal review is an efficient, cost-effective method to determine if the origination appraisal is adequately supported in:

- First step **forensic due diligence** to decide whether a sample of appraisals warrants more extensive review.
- **Pre-fund due diligence** prior to funding the loan.
- **Internal quality assurance audit** in post-fund due diligence for lenders and investors with securitization in mind.
- **GSE post-board** review to determine the reliability of the valuation and to understand if a repurchase is justified.

What's in Clear Capital's CDA®?

The CDA provides a visually-rich, actionable appraisal review. Any variance from the origination appraisal's value is front-and-center. A number of factors determine the Risk Score (Low, Medium, High) including variance, data discrepancies and report deficiencies. Depending on the severity, a next action may be recommended. Eligibility issues will always be noted. Because it's important you understand how the Clear Capital® trained appraiser came to the conclusion, the CDA offers detailed commentary and supporting materials, such as comparables, market information and maps.

Two Deliverable Options

The CDA report is offered in two formats: CDA and CDA + MLS.

- The CDA report considers all local market data that contain value, characteristics, local market sales and listing data of both the subject and comparables. The CDA offers competitive pricing and fast turn times.
- The report is also available with MLS sheets on both the subject and comparables. Our CDA + MLS deliverable can be a preferable option for jumbo loans and higher risk files.

Analysis Commentary

This section provides additional insight into the appraiser's analysis, including the competitive market and comparables selected by the appraiser. Detailed commentary targets various aspects of the review including: market conditions, subject analysis, sale and listing history analysis, appraisal analysis and deficiencies, market sales analysis, review conclusion and eligibility issues and recommendation.

Market Trend

We show the general trend of the market before and after the effective date plotting out the original appraisal and review comparables for a contextual, visual snapshot.

Appraisal Data List/Sale History

The Clear Capital trained appraiser analyzes and reports on the subject's sales history and all transactions within the previous 36 months of the effective date. All sales data is verified against local market data, public record sources as well as Clear Capital's proprietary database to identify non-disclosure of prior transfers and misrepresentation of data.

Multiple Comp Grids

Comparing the origination appraisal's subject and comparables and reviewer-selected comparables is easy with multiple comp grids that can be sorted by distance and sale price.



2. Satellite maps help identify neighborhood boundaries and externalities that may impact value.

Maps and Aerial Imagery

Maps include the origination appraisal's subject and comparables and reviewer-selected comparables for quick review of comparable proximity. Hybrid satellite maps help to identify neighborhood boundaries and externalities that may impact the value, positive or negative, and provide a sense of the immediate neighborhood.

Retrospective Home Data Index™ (HDI)

Clear Capital's Home Data Index provides a comprehensive report of the subject's market conditions as of the effective date of the appraisal and thereafter. It also indicates distressed (REO and short sales) activity during the same time frame for a more holistic view of the market.

MLS Supporting Documentation

For the CDA + MLS, we provide full detailed MLS sheets for the subject, if applicable, and all comparables, including origination appraisal review comparables and CMA comparables.

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, Quality Assurance Services and Platform 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.