

Home Data Index™ (HDI)

The foundation for informed decisions.

Overview

In making financial decisions, knowledge provides insight, which fuels confidence and decisiveness, which then powers informed decisions. For loan originators, servicers, and investors, informed decisions are how you grow your business.

The best place to get real estate market knowledge is Clear Capital's Home Data Index (HDI). It is a powerful and sophisticated report highlighting unique factors influencing the values of your collateral asset. Whether it's analyzing one property or a pool of loans, the HDI delivers current data on the housing market, including REO and short sales activity and price tier segmentation for a complete market condition analysis.

Clear Capital's Home Data Index (HDI) was built around three tenets: Offer the **most current** housing information, provide the **most granular** information, and provide **more perspectives** to ensure high relevancy and value. More knowledge is definitely more power.

Data Currency

To ensure the HDI provides the most current data, we incorporate multiple data sources with real time processing and filtering. This means as data is coming in, it is being analyzed in our models and immediately utilized in our reports, eliminating the lag times seen with other indices.

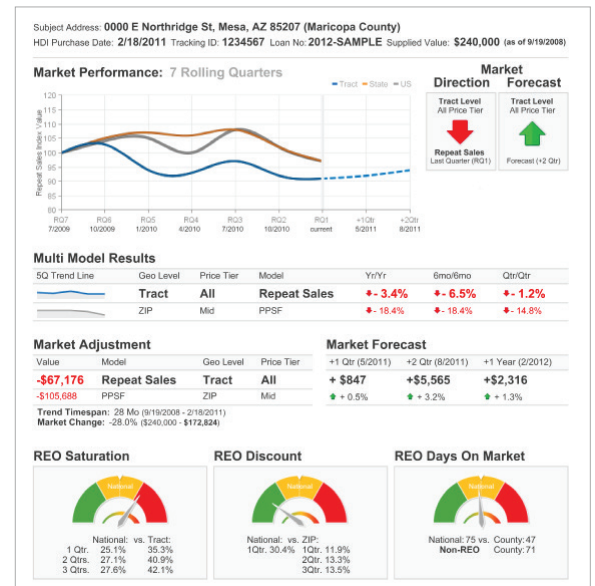
Driving our currency is our patent-pending rolling quarter approach. It creates a view into short term price changes by dynamically shifting three month periods so prices are always current at the date of the order.

This model uses the most current month's pricing data, stretching the most current quarter from three months to four. This ensures the most current data is used and provides the most timely information possible.

Data Granularity

Market dynamics can be very different within zip codes, neighborhoods, and even blocks. That's why we extended the HDI index to accommodate ten geographic levels, from the nation down to the block group (about 1/3 the size of a typical zip code) to provide data that is most specific to your needs.

To allow us to provide the smallest geographically relevant index data possible, we created a Geographic Information Systems (GIS)-enabled database of properties. We go straight to the property and analyze the data within the property's block group. We then cascade out until we have enough data to deliver an accurately indexed result. In addition, our HDI calculates price tiers within each geographic zone. These price tiers identify whether market appreciation rates apply to the lowest, middle, highest, or all homes in an area.



Report formats include: .xls, .pdf, .html, .xml, and flat file

REO Insights

REO saturation levels, including REO and short sales, are very important for understanding market activity and home price trends. The HDI provides additional context to home price trends with dashboard analytics including REO saturation, discount and days-on-market by geographic area to ensure a complete and accurate market analysis.

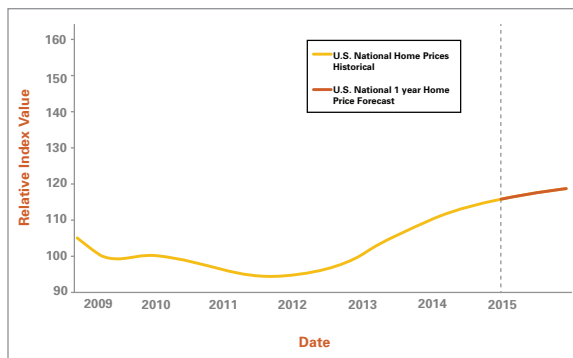
More Perspectives

The Clear Capital HDI provides over 200 possible market views per address, far exceeding the capabilities of other indices. These views include:

- Fair market and distressed views
- Geographic perspectives
- Price tier analysis
- Property type—condo versus SFR
- Repeat sales and median price-per-square-foot pricing models

Insightful Forecasting

The HDI also provides highly accurate market forecasts. Its forecasting engine predicts price trends up to two years in the future, with detailed breakouts at the one- and two-quarter, and one- and two-year milestones. The system considers many factors from price affordability and employment, to more complex relationships such as migration and equity indices, and smartly blends them into a single projection, grounded in historical performance.



Relative index value of home price trends

Key Benefits

- At-a-glance REO dashboard, including REO and short sales—saturation, discount and days-on-market—answer relevant questions about local market conditions, adding key perspective to your decision-making process.
- Price tiers identify how market dynamics apply to the lowest, middle, or highest price tiers in an area for increased accuracy.
- Patent-pending rolling quarter technology enables more dynamic updating to ensure data is near-real time.
- Dynamic forecast engine produces a usable price projection using many factors to give you critical insight to your investment decisions.
- Unique multi-model approach combines repeat sales index and price-per-square-foot index with address-level cascading for extreme granularity, coverage, and perspective.

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 for over a decade. 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.