

Residential Evaluation Report (RER™)

The Market Evaluation Tools You Can Trust and Afford

Expanding Federal Regulations. Strict Interagency Guidelines.
Escalating Compliance Scrutiny.

In today's complex lending and servicing environment, reliance on conventional market evaluation tools are no longer acceptable for federally-related transactions. This leaves lenders grappling with the dilemma of how to address the growing ramifications of compliance without breaking the bank. Is there a credible alternative to high-cost appraisals? CoreLogic® has introduced an alternative—RER™.

RER™

RER delivers a comprehensive viewpoint that is unavailable in any other valuation tool. RER aggregates five different market value indicators plus a certified restricted-use residential appraisal into one product; it offers multiple perspectives for greater accuracy and insight:

1. **Broker Price Opinion (BPO)** – A licensed real estate broker (or agent) with specialized neighborhood experience provides a professional market price opinion based on an onsite property inspection, summary, photos, maps and extensive CoreLogic scoring tools
2. **GeoAVM Core™** – Statistical data defines market and neighborhood values using an AVM cascade comprised of: PASS®, ValuePoint®4, PowerBase®6 and HPA
3. **GeoAVM Distressed™** – A distressed market hypothesis establishes the market floor, which clarifies the threshold of investment risk
4. **Alternative Comparable Indicated Value Approach (IVA)** – An analytic tool that provides additional “potential” comparable sales with appropriate value adjustments, it fills in the gaps by rendering a comprehensive analysis of market value
5. **BPO IVA** – A proprietary model unique to CoreLogic, the BPO IVA applies tested algorithms against the broker's comparables and listings to verify the BPO findings and price adjustments
6. **Independent Certified Appraisal** – A desktop review by a certified residential appraiser within the subject property's state assesses the other indicators and provides a market value opinion

VALUATION

Key Benefits

- ▶ Restricted-Use Appraisal as defined by the USPAP
- ▶ Designed to assist lenders and servicers in meeting their compliance burdens under the IAG
- ▶ Provides big-picture market evaluation using five individual and independent market indicators plus a certified residential appraiser's market value assessment
- ▶ Delivers a thorough and cost-effective alternative to traditional appraisals
- ▶ Decreases review time and increases staff productivity
- ▶ Supplies rapid turnaround

RER Express™

RER Express is an abridged version of RER. This version features three perspectives, including:

1. **GeoAVM Core** – Statistical data delivered from the nation's leading AVM defines market and neighborhood values using an AVM Cascade comprised of: PASS, ValuePoint4, PowerBase6 and HPA.
2. **GeoAVM Distressed** – A distressed market hypothesis establishes the market floor, which clarifies the threshold of investment risk.
3. **Alternative Comparable Indicated Value Approach (IVA)** – An analytic tool that provides additional “potential” comparable sales with appropriate value adjustments, it fills in the gaps by rendering a comprehensive analysis of market value.

Instead of utilizing a BPO to describe the condition of the subject, RER Express utilizes an OnSite Plus report and only assumes the interior condition of the subject property based on an exterior view from the street by a licensed real estate professional.

Typical Use

Origination:

- ▶ Non-purchase loan originations such as refinances, second mortgages and HELOCs
- ▶ As a USPAP Compliant Appraisal, RER and RER Express can substitute for a FNMA 2055.

Retention:

- ▶ Investor-required 90-day BPO refresh. Modifications can be interpreted as a federally-related transaction per IAGs
- ▶ Substitute for FNMA 2055 for verification of market value at time of modification.

Disposition:

- ▶ Investor-required 90-day BPO refresh. Foreclosure can be interpreted as a federally-related transaction per IAGs
- ▶ Foreclosures, REO sales, short sales and loan modifications
- ▶ Substitute for 1004 for verification of market value at time of foreclosure sale

Secondary Marketing:

- ▶ Price/value mortgage pools

Delivery

RER and RER Express are provided via data feed or hard copy PDF depending on client preference. Typical turnaround is five business days.

Group Resources

Solutions for Lenders

FOR MORE INFORMATION PLEASE CALL Rob Baumann 410-299-3070

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