

# ValuEdge Cascade™



## Proven Accuracy and High Hit Rate With Minimal Outliers

There are many ways to value properties. Some are more costly and labor intensive; some are ideal for valuing multiple assets in a portfolio. AVMs are a valuation method for residential properties that deliver fast, accurate and unbiased results.

Black Knight's ValuEdge Cascade™ is an AVM tool that quickly delivers cost-effective residential property values using four high-performance Black Knight AVMs to maximize accuracy and hit rate while minimizing outliers. Each property is valued by the most appropriate model for the geography according to the cascade preference table, resulting in optimum performance across the portfolio.

The Black Knight AVMs employed in the ValuEdge Cascade provide unbiased valuations of residential properties, and are independently validated and rigorously tested. Each AVM offers different performance characteristics based on the quality, quantity and type of data that is available in a given area. ValuEdge Cascade uses the following AVMs:

### Realtors Valuation Model

- Developed with Realtors Property Resource® (RPR), a subsidiary of NAR
- Filters out atypical properties
- Uses listing data to compensate for lags in public records data

### ValueSure

- Delivers the "sweet spot" of accuracy and hit rate
- Highly ranked in national tests

### SiteX Value

- Hit rate is highest of the Black Knight AVMs – one of the highest in the industry
  - Values all residential property types
- The go-to model when a valuation estimate for all properties is critical

### SafeValue

- Newest, most accurate of the Black Knight AVMs
- AVM to use when accuracy and minimization of outliers are most important
- High data requirements – must have solid comparable properties
  - Complex series of rules and algorithms applied to ensure like properties

Each model relies on the same data sets, but uses different algorithms and techniques when arriving at valuation estimates.

## Delivering Accuracy and High Hit Rates for Reliable Results

ValuEdge Cascade delivers the performance, quality and support Black Knight clients have come to expect.

## Coverage, Depth and Advanced Analytics

Black Knight AVMs leverage the company's comprehensive, industry-leading property database that covers 99.9 percent of U.S. residential properties. In addition, Black Knight's RVM includes listing data to compensate for lags in public records information.

With a vast source of market information and proven methodologies, Black Knight delivers valuations with reliable results to support a variety of business needs. Common uses of ValuEdge Cascade include obtaining quick valuations for loan modifications and home equity originations, valuing an entire portfolio and confirming appraisal accuracy.

## ValuEdge Cascade Benefits

- Produces highly accurate results with a low percentage of outliers
- Provides an impartial appraisal validation
- Offers a cost-effective valuation solution
- Uses the best model for the given property; all AVMs used in the cascade are highly rated
- Provides results via HTML, XML, batch/bulk
- Draws from Black Knight's comprehensive database that covers 99.9 percent of U.S. residential properties
- Enables users to avoid the expensive and time-consuming work involved with defining their own cascade

## Unbiased Analysis

Recognized industry-wide as the leading independent AVM testing and analysis authority, AVMetrics developed the logic driving the ValuEdge Cascade and performed the necessary due diligence and analysis on the AVMs Black Knight Data & Analytics uses.

Along with many of the largest organizations in the industry, Black Knight places a great deal of confidence in the integrity and cascade development skills of AVMetrics. We help preserve that integrity by restricting access to the underlying cascade structure – even from ourselves. The secure, protected cascade structure is accessible only by AVMetrics.

Black Knight is focused on maximizing the accuracy and hit rate of the cascade we offer – but how this goal is accomplished is determined entirely by AVMetrics. It's crucial to note that AVMetrics' compensation for its services constructing and updating the ValuEdge Cascade is not tied to any individual model inclusion or position in the cascade.

## About Black Knight Data & Analytics

Black Knight Data & Analytics is a leading source of comprehensive property, MLS and mortgage performance data and intelligence. Our actionable data and analytics solutions help our clients improve strategic and tactical performance; identify, reduce and mitigate risk; satisfy regulatory requirements; leverage cost savings; and create opportunities for growth and increased profitability.

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