PORTFOLIO MANAGEMENT

CoreLogic®

New Diligence™ for Whole Loans

Rewriting the Rules

How It Works

New Diligence for whole loans rewrites the rules by replacing cloudy, ambiguous portfolio risk estimates with detailed, dynamic, verifiable pool- and loan-level risk evaluations.

It does this by applying rigorous due diligence to your portfolio, augmenting your loan files with dynamic public record and proprietary data, cutting-edge valuations, and stochastic predictive modeling. This combination quickly isolates loan-level portfolio risks—credit, collateral, compliance or buyback—that affect your returns, no matter what your perspective:

- Value investor seeking portfolio stability, with no "surprises"
- Seller looking for an accurate pre-bid evaluation
- Broker eliciting buyer interest based on valid portfolio strengths
- Any party to whole loan trades built on confidence and reliability
- Securitization stakeholder—investor, rating agency, trustee, regulator—whose participation hinges on whole loan transparency

New Diligence for whole loans focuses on correcting two ubiquitous but critical factors likely to undermine the accuracy of portfolio risk evaluations in the still-evolving market:

- **Risk visibility** – the lack of granular understanding
- **Changing-rules risk** – the patchwork policy and contractual responses

Trading Distressed Assets

As the volume of underwater mortgages and foreclosures grows, many whole loan traders are now specializing in distressed properties, non-performing loans, and residential REOs.

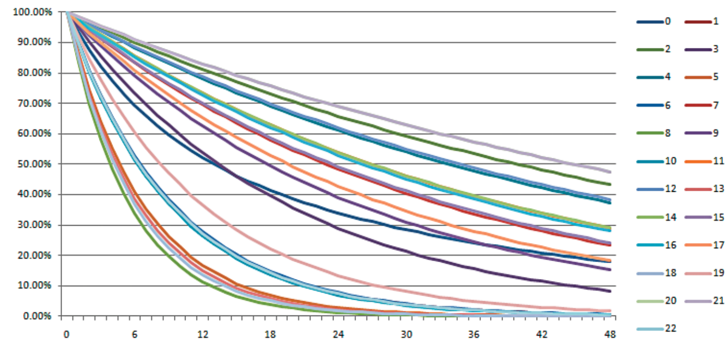
More than any other, this market requires the kind of rigorous due diligence that only *New Diligence* for whole loans can reliably provide. To operate insightfully and successfully in this market, traders must fully understand its inherent life-of-loan and changing-rules risks.

Risk Visibility

New Diligence whole loan experts utilize multi-layered analytics and stochastic modeling tools to assess multiple risks simultaneously—property attributes, borrower behaviors, document deficiencies, and others—drawing upon high-quality data from industry-leading CoreLogic property, mortgage, borrower, tax, real estate, and market-trend databases.

Customizing terms and workflows to fit your specific products and transactions, *New Diligence* for whole loans then employs advanced, automated tools to weigh credit, compliance, collateral, and fraud risks—and produce explanatory results that offer clear decision-making guidance.

MULTI-RISK LOAN MODIFICATION-REDEFAULT PROBABILITY CURVES



New Diligence loan-level modeling can stratify likely loan-modification redefault risk. Here a portfolio's loans are clustered into borrower-behavior curves whose risk levels can project future cashflows and NPVs.

Changing-Rules Risk

With the rules governing the marketplace—and individual trades—in a state of flux, a trade's contractual complexities may have unseen but significant consequences.

When such complexities can affect current value or future performance, our *New Diligence* experts control for this uncertainty by modeling multivariate potential effects on a given evaluation or trade. Weighted for real-world likelihood and automated for urgency, these projections give you a significant competitive advantage in the marketplace.

Overcoming Market Uncertainty

New Diligence for whole loans rewrites the rules and rebuilds confidence in the trading process through our industry-leading data, high-speed analytics, and cost-effective expertise—so you can make quick, smart business decisions that succeed even in a still-uncertain environment.

FOR MORE INFORMATION PLEASE CALL 1-800-345-7334

1-NDWL-0112-02

CoreLogic®

corelogic.com