

Home Value Explorer

Streamlining the collateral valuation process

May 2022

Home Value Explorer® (HVE®) is a Freddie Mac automated valuation model (AVM) that generates an estimate of property value in seconds. HVE simplifies the mortgage process by streamlining the collateral valuation cycle. For more than 20 years, Freddie Mac has effectively employed AVMs internally for its own risk and portfolio management. Lenders and real estate professionals who need fast, accurate value estimates can benefit from the proprietary data, modeling expertise, industry knowledge and long-standing reputation that Freddie Mac and HVE bring to the market.

Key Benefits

Generates fast and accurate valuations.

Provides Confidence Scores that are easy to interpret and are statistically based on the Forecast Standard Deviation (FSD).

Leverages Freddie Mac's modeling expertise and industry knowledge.

Rated consistently as a top AVM in the industry for coverage, accuracy, and reliability.

HVE point value estimates can be used to determine the property value for Relief Refinance MortgagesSM for certain 1- or 2-unit properties.

Key Features

Provides extensive coverage of all 50 states and the District of Columbia, including more than 3,100 counties.

Employs a database of more than 103 million property addresses obtained from national data repositories and the Freddie Mac loan portfolio.

Includes values for properties in nondisclosure states using data from the Freddie Mac loan portfolio.

Returns a valuation hit on a national average of 85 percent of all properties submitted. If prior sales information is provided, hit rates are even higher.

Utilizes a unique Freddie Mac proprietary algorithm that blends model estimates returned by our repeat sales model and our hedonic model into a single product.

Provides the HVE point value estimate, with additional related feedback data elements, at no additional cost, to help identify potentially inflated appraisal values that may need additional review early in the origination process.

Uses of HVE

Supports many lending functions such as:

- Underwriting review for first and second mortgages, and home equity loans/home equity lines of credit
- Credit risk management
- Loss mitigation
- Refinance and modification of mortgages

Supports processes related to evaluating insurance needs.

Supports Quality Control (QC) processes.

Supports Portfolio Management processes.

Support activities associated with the purchase, sale or construction of homes.



Home Value Explorer Sample Report

A sample HVE report is provided below. The actual format will vary based upon the distributor.

Property Address: 5309 LARENT DRIVE				City: DURHAM	State: NC	Zip: 27712
Model Type: HVE	Low: \$339,232	Point: \$389,041	High: \$446,143	Score: M	FSD: 0.14	

Data from Local Tax Records																								
Address	City	County	State	Zip	Mrtg Trans Type	Sale Date	Price	Living Area	Lot Size	Bed	Bath	Units	Year Built	Assesd Tax	Ppty Tax	Pool	Garage	APN	Code Std	Zone Code	CostPer SqFt	Lat	Long	Distance
5309 Larent Dr	DURHAM	063	NC	27712	S	2011-11-15	\$177,000	2592	19645	4	2.00	1	1976	\$0	\$2,891		Y	182802	RSFR	RS-2	\$68	36.086104	78.930560	
Proximity Based Results																								
1405 Imperial Dr	DURHAM	063	NC	27712	S	2021-12-29	\$350,000	2143	29881	3	3.00	1	1981	\$0	\$3,047		Y	182745	RSFR	RS-2	\$163	36.086728	78.927459	0.1788
1719 Cheshire Bridge Rd	DURHAM	063	NC	27712	S	2021-12-03	\$320,000	2301	0	4	2.00	1	1998	\$0	\$3,257		Y		RSFR		\$139	36.088834	78.928385	0.2242
5124 Green Oak Dr	DURHAM	063	NC	27712	S	2021-05-24	\$285,000	1799	20211	3	2.00	1	1978	\$202,771	\$2,582		Y	182811	RSFR	RS-2	\$158	36.085230	78.926629	0.2281
11 Siena St	DURHAM	063	NC	27712	S	2021-12-16	\$365,000	2226	5880	3	2.00	1	1999	\$268,994	\$3,426		Y	182603	RSFR	PDR	\$164	36.080995	78.932816	0.3743
24 Ballard Ct	DURHAM	063	NC	27712	S	2021-05-16	\$331,000	1826	0	3	2.00	1	1999	\$0	\$0		Y		RSFR		\$181	36.089955	78.925802	0.3761
310 Latta Cir	DURHAM	063	NC	27712	S	2021-08-20	\$295,000	1289	7274	2	2.00	1	2001	\$199,217	\$2,537		Y	182685	RSFR	PDR	\$229	36.080373	78.933449	0.427
4613 Paces Ferry Dr	DURHAM	063	NC	27712	S	2021-06-15	\$400,000	2245	9016	4	3.00	1	2005	\$0	\$3,304		Y	185188	RSFR	PDR	\$178	36.093029	78.931189	0.4789
3 Alderwood Pl	DURHAM	063	NC	27712	S	2022-02-17	\$375,450	2398	0	4	3.00	1	2021	\$0	\$0		Y		RSFR		\$157	36.090467	78.922155	0.5585

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Learn more about Home Value Explorer

- Visit the [HVE webpage](#).
- View a complete list of [distributors](#).