



## *Press Release*

December 10, 2008

### ***COMPASS ANALYTICS and RADAR LOGIC Announce Integration of RADAR LOGIC'S RPX and RADAR LOGIC Daily™ Prices to COMPASS'S Mortgage Analytics***

#### ***Compass Announces Plan to Integrate RPX™ Derivatives into Compass's Mortgage Hedging Platform***

**San Francisco, CA – December 10, 2008** – Compass Analytics, LLC and Radar Logic, Inc. announced today the successful integration of the Radar Logic's RPX, Residential Property Index into Compass's Mortgage Analytics solution, CompassPoint™. Compass customers can now seamlessly update portfolio residential property values through CompassPoint™ employing Radar Logic's RPX by zip code and MSA. The integration will allow investors, portfolio managers, servicers and whole loan traders to seamlessly update property values as part of data load processes and leverage better loan-level property value, LTV and equity data for more accurate valuations. Analysts are able to employ their choice of HPI forecasts or leverage Radar Logic Daily™ Prices for implied HPI forecasts in conjunction with CompassPoint™'s prepayment, delinquency and default tools to better forecast timing of default and actual loss severity given forecasted HPI.

Compass and Radar Logic also announced today plans to integrate Radar Logic's RPX™ Derivatives into CompassPoint™ for initial roll out in January, 2009. This integration will enable analysts to mark-to-market RPX™ derivatives and model and employ the derivatives to hedge property value and credit risk in loan portfolios. Hedgers can also model prepayment sensitivity to HPIs and employ RPX™ derivatives to better manage that risk.

"Recent market dislocations have provided unprecedented opportunities and risks in mortgage investments," said Rob Kessel, Managing Partner of Compass Analytics. "Compass is very pleased to continue its progress in integrating best-of-breed models and inputs such as Radar Logic's to allow analysts, traders and risk managers to pull together the best inputs and models without having to



address data handling and integration concerns.” Kiva Patten, head of property derivatives at Merrill Lynch added: “The investment and trading community is really beginning to understand and view housing as a distinct asset class with the attendant need for derivatives to support investment and risk management activity. RPX™ derivatives and hedging tools and analytics such as Compass’s will support the development and broad use of such derivatives”. Michael Feder, President and CEO at Radar Logic, commented: “This is a natural step in the evolution of the utility of RPX as a tool for trading Real Estate as an asset class. We are delighted to be part of this significant effort with Compass.”

### ***About Compass***

Compass Analytics provides valuation and interest rate risk management solutions to mortgage capital markets participants. Compass Analytics licenses its software CompassPoint™ to mortgage servicers, traders, investors and secondary marketing departments in order to provide rich loan-level and cohort-level analytics. CompassPoint’s™ loan-level models, integrated file mapping, aggregation tools, market and credit inputs, whole loan, structured cash flow and mortgage servicing rights analysis and reporting capabilities give CompassPoint™ users the competitive advantage in evaluating all mortgage collateral. In addition to licensing CompassPoint™, Compass uses CompassPoint™ internally to provide third party valuations as well as outsource hedge execution services, both of which draw on Compass’ considerable expertise and access to market color.

For more information about Compass Analytics, please visit its website at <http://www.compass-analytics.com> or contact Kellie Kramer at 415-462-7500 or [kkramer@compass-analytics.com](mailto:kkramer@compass-analytics.com).

### ***About Radar Logic***

Radar Logic Incorporated, a real estate data and analytics company, calculates and publishes the Radar Logic Daily™ Prices. The prices track housing values for major U.S. metropolitan areas and are the basis of the Residential Property Index™ (RPX™), a market that enables real estate to be traded as a liquid asset, via property derivatives marketed by major financial institutions. RPX allows real estate and financial professionals to manage opportunity and risk, invest in real estate values without owning physical assets and effectively analyze markets using a consistent metric: price per square foot.

For more information on Radar Logic and the RPX, including licensed dealers, please visit [www.radarlogic.com](http://www.radarlogic.com). Media Contact: Bettina Klinger, Radar Logic Incorporated, 646-224-7003 [bklinger@radarlogic.com](mailto:bklinger@radarlogic.com).