



Rankings Announcement

Morningstar Credit Ratings, LLC

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Morningstar Credit Ratings Assigns MOR RV1 Residential Vendor Rankings to Red Bell Real Estate as a Residential Vendor for Asset Valuation and Pyramid Platform as a Vendor for Real Estate Technology Solutions

Feb. 27, 2017—Morningstar Credit Ratings, LLC today assigned its MOR RV1 residential vendor ranking to Red Bell Real Estate, LLC (Red Bell), as a residential vendor in the asset valuation market, and assigned its MOR RV1 residential vendor ranking to Main Street Valuations, LLC d/b/a Pyramid Platform (Pyramid Platform) as a real estate technology solutions provider. The forecast for both rankings is Stable.

Red Bell and Main Street Valuations, LLC are wholly owned subsidiaries of Clayton Holdings LLC (Clayton), which is a wholly owned subsidiary of Radian Group Inc. (Radian).

The assigned rankings reflect Morningstar's assessment of both companies' infrastructure and client-driven performance results. The Stable forecast for both rankings is indicative of both companies' solid vendor performance derived from an experienced management team, excellent proprietary technology, solid enterprisewide risk controls, and attention to client-driven performance results. A robust training regimen, comprehensive policies and procedures, and an effective quality control environment minimize operational risk and promote best practices across the enterprise. Management has developed vendor-selection criteria and vendor-rating standards that effectively measure vendor performance, as reflected in the execution of service-level agreements with their customers. The companies have developed a scoring system to monitor and measure each company's performance and product quality against service-level agreement goals, enabling senior management to assess capacity and workflow to meet or exceed client benchmarks.

Pyramid Platform's proprietary Software-as-a-Service technology is a web-based transactional management system that handles all aspects of asset management including a dashboard for performance monitoring and reporting while the company's proprietary BPO Fulfillment system handles valuation order processing, assignment, and fulfillment. Red Bell is a national real estate brokerage firm and has developed contractual arrangements with multiple listing services (MLS) throughout the United States that

provide the company with a robust data set on particular properties. Clients can access Red Bell's virtual office website and relevant MLS data to search residential real estate transactions on an individual property basis.

Red Bell and Pyramid Platform continue to integrate best practices across the enterprise with Clayton and its ultimate parent, Radian. The combined offerings of Red Bell and Pyramid Platform, as well as Clayton and Radian, represent a full suite of end-to-end residential real estate services that present clients with a single source of product solutions.

To access Morningstar's operational risk assessments methodology and all published reports, please visit www.morningstarcreditratings.com.

Morningstar rankings, forecasts, and assessments contained in this rankings announcement are not assessments of the creditworthiness of an obligor or a security and thus are not credit ratings subject to NRSRO regulations.

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