Market Rent Valuation Solutions

The RPS Market Rent Valuation Solution delivers market rent estimates in less time, with more consistency and cost effectiveness, for a better lender and consumer experience.

What is the Market Rent Valuation Solution?

The RPS Enhanced Market Rent Solution delivers quick, consistent and high-quality market rent estimates by leveraging intelligent process management, automation, extensive real estate data and analytics, and the comprehensive RPS valuations network.

> RPS is the only valuations provider in Canada with **exclusivity** to a national, high-quality market rent AVM

Key Features & Benefits

A comprehensive, supportable and prudent approach to market rent valuation that delivers:

- ✓ **Reduced turnaround times (TATs)**
- ✓ **Improved customer experience**
- ✓ **Lower overall valuation costs**
- ✓ **Enhanced risk mitigation**
- ✓ **Strong competitive advantage**

FEATURES	MARKET RENT **AVM**	MARKET RENT **STREAMLINED**	MARKET RENT **STANDARD**
Average TAT	**Instant**	**< 1 day**	**2-7 days**
Speed	★★★★★	★★★★	★
Customer Service	★★★★★	★★★★	★
Savings	★★★★★	★★★★	n/a

Market Rent Valuation Solutions & Processes

MARKET RENT AVM	• Leverages extensive data and analytics to deliver a high-quality, consistent, and reliable estimate of market rent instantly • Uses a comparables-based AVM machine learning model with a customized random forest algorithm; this model and approach is similar to the RPS property valuation AVM and these models demonstrate a material accuracy advantage over traditional statistical models when predicting values [1] • Accuracy confirmed through comprehensive testing is in line with the market rent estimates delivered by appraisers (80% are +/- 10%) and with the accuracy of commercial grade market value AVMs • Ideal for urban and suburban areas & common dwelling types [2]
STREAMLINED APPRAISAL PROCESS	• Completed by a qualified, certified appraiser typically in less than one day • Incorporates process efficiencies like pre-populating the report, which enables the appraiser analysis and selection of best comparable properties versus data entry • Leverages extensive analytics, including the market rent AVM and market rent statistics that are provided to the appraiser to improve the quality, consistency, and reliability of their market rent estimate • Ideal for urban and suburban areas & common dwelling types [2]
STANDARD APPRAISAL PROCESS	• Completed by a qualified, certified appraiser typically in 2-7 days • Ideal for rural and remote areas / unusual dwelling types [3]

Market Rent Valuation Solution Implementation Options

A lender can adopt the Market Rent Valuation Solution that best meets their use-cases and internal risk policies, either individually or in combination:

• First adopt Market Rent AVMs, then expand to the streamlined process - or the entire solution at once

• Implement for Market Rent Standalone requirements and /or Market Rent add-ons

• Apply only for select geographies / dwelling types – most market rent valuations are concentrated in major urban / suburban centres for common dwelling types

SAMPLE SCENARIOS	CURRENT	SCENARIO 1	SCENARIO 2	SCENARIO 3
Market Rent AVM	0%	0%	25%	50%
Streamlined Market Rent Appraisal	0%	85%	55%	45%
Standard Market Rent Appraisal	100%	15%	20%	5%
Total	100%	100%	100%	100%
Average Turnaround Time / File (days)	4.4	1.5	1.4	0.7
Average Cost / File	$$$$$	$$$$	$$	$
Customer Experience	*	**	****	******

1) Based on research conducted by multiple organizations, including the University of Oxford. The Future of Automated Real Estate Valuation Models. October 2021. Pages 8 and 27.
2) Single family detached, condo / apartment, townhouse row and semi-detached.
3) Other property styles (laneway homes, etc.), high value properties and the like.

RPS is celebrating 25 years as a leading provider of outsourced real estate solutions including property valuations, data-driven risk management tools and market insights. Contact us at 1-866-545-7555 or sales@rpsrealsolutions.com