

## **Black Knight Delivers a Major Enhancement to Its CompassPoint Pool Optimizer Solution to Solve Agency Pool-Level Constraints**

*New Algorithm Automates Complex Pooling Business Cases*

- CompassPoint's Pool Optimizer solution introduces a new algorithm to meet investor demand for longer-lasting mortgage-backed securities (MBS), while taking into account lender's profitability and third-party relationships.
- The CompassPoint Pool Optimizer is used by some of the largest lenders in the country to find more profitable combinations of closed-loan inventory to create pools that meet investor demand and comply with SIFMA pooling minimums and tolerances.
- This new algorithm also helps lenders manage representative credit mix between the GSEs, in addition to limits and tolerances imposed by servicing buyers, all while achieving best execution.

JACKSONVILLE, Fla. – Oct. 5, 2020 – [Black Knight, Inc.](#) (NYSE:BKI) announced today that it has delivered enhanced capabilities within its CompassPoint solution to help simplify the often complex and critically important process of determining the most profitable loan pool composition. CompassPoint is an industry-leading risk management and loan sale platform for the secondary loan market, helping lenders hedge more than \$100 billion of closed loan volume monthly.

In order to support best execution, lenders face the complex task of aggregating their closed loans into pools for sale on the secondary market. CompassPoint's existing Pool Optimizer is used by some of the largest lenders in the country to eliminate the manual process of sorting and sifting through their closed loan inventory to find the optimal combination of pools that comply with SIFMA pooling minimums and tolerances. This optimization can often create considerable added value in the pooling process.

Building upon years of product evolution, the new algorithm, now available within the latest release of CompassPoint's Pool Optimizer, can quickly and efficiently solve for the optimal combination of pools based on the company's configurations and given SIFMA requirements, as well as credit stipulations and volume thresholds imposed by servicing buyers and the GSEs. The solution helps lenders incorporate the borrower FICO score, property type, property state and other considerations, dramatically simplifying complex best-execution analysis and helping to deliver consistent credit across key investor relationships. This new enhancement is available through an API integration and can be leveraged without using the full CompassPoint product suite.

“The new algorithm we’ve created for our Pool Optimizer enhancement goes beyond the complexities of solving for best price by enabling our customers to incorporate the preferences of their investor partners with one click,” said James Baublitz, Managing Director, Pipeline Analytics, Black Knight Secondary Marketing Technologies. “The latest enhancement to CompassPoint represents Black Knight’s continued focus on innovation for the secondary market to help market participants improve profit margins and reduce risk.”

### **About Black Knight**

Black Knight, Inc. (NYSE:BKI) is an award-winning software, data and analytics company that drives innovation in the mortgage lending and servicing and real estate industries, as well as the capital and secondary markets. Businesses leverage our robust, integrated solutions across the entire homeownership life cycle to help retain existing customers, gain new customers, mitigate risk and operate more effectively.

Our clients rely on our proven, comprehensive, scalable products and our unwavering commitment to delivering superior client support to achieve their strategic goals and better serving their customers. For more information on Black Knight, please visit [www.blackknightinc.com](http://www.blackknightinc.com)

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