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SPECIAL REPORT: APPRAISALS/AVMs

Consumers Get Value Reports From Lenders' Sites

BY JENNIFER HARMON

ClickRSVP and ILS/Fiserv have introduced HomeValueBot, a product that allows online visitors to get free home value reports directly from lenders' websites.

"It's a good way to differentiate yourself, drive people to lender's website and close more loans," said Joe Timm, director of sales for ClickRSVP.

After nine months on the market, lenders already using HomeValueBot have reported 27% click-through rates, increased activity in home equity applications and conversion rates of 7% to 8%. Currently, 12 clients, consisting of banks, credit unions and some brokers, are using the product.

Typically, Mr. Timm says consumers are so often inundated with direct mail or e-mail regarding financing, that this is a unique way to stimulate interest in a lender's loan products.

"Before, many times consumers had to pay to get a home value report. They had to have an appraiser come out. This really streamlines everything," he said.

"When this service is put on a lender's website, they don't have to compete with other lenders on one site. This is something where the bank can have a one-on-one relationship with the customer."

And the industry is seeing more and more consumers who want to see the value of their home, which is only going to increase in the future, says Mr. Timm.

"Lenders are realizing they have to do something that sets them apart. Rates aren't enough to get people to come to a lender's website. This is a great way to do that."

Lenders using HomeValueBot not only deliver a professional-grade home valuation, they gain an opportunity to showcase their own loan products. HomeValueBot contains no outside content or advertising, so the sponsoring lender receives the full promotional benefit of delivering the home value.

Web visitors click through the original screen and HomeValueBot takes them to the lender's loan application site. On that page, there are links to other products the bank offers besides home equity lines of credit, such as first mortgage loans and information about refinancing. During the first 60 days of having HomeValueBot on its website, Lockheed Federal Credit Union has seen \$2.5 million worth of home equity lines of credit, according to Mr. Timm.

In the future, the product will not only tell consumers the value of their home, but it will be able to help lenders do credit checks and instant decisioning.

"I really see it going in that direction. After the credit check, lenders will get to come back and tell someone they've been approved."

By default, HomeValueBot value estimates are positioned as "informational" only, meaning the lender is not obligated to loan on the value returned.



JOE TIMM, Director of Sales at ClickRSVP, says "Lenders are realizing they have to do something that sets them apart. Rates aren't enough to get people to come to a lender's website."

However, clients have the option of accepting the HomeValueBot value for lending through ValueGuard, Integrated Loan Services' insured-value program.

"Lenders who use HomeValueBot along with our back-end processing have a competitive edge, because they can effectively make the loan on the spot, and they can deliver on the consumer's expectation of the property value as confirmed by the HomeValueBot experience," said Lee Howlett, ILS president. Since the inception, the service has proved to be an effective website traffic builder.

"We have seen a conversion rate of 7% to 8%, so we're very happy with the program," said Jim Oosterman, senior vice president of lending at Melrose Cooperative Bank.

"What's even more impressive is that some of these users end up applying for large first mortgage refs."

HomeValueBot is available nationally and can be launched on a client's website within 48 hours. Implementations can range from a simple calculator, to permission-marketing programs, customized loan generation solutions, and private-labeled programs.