

FLDI Announces Solutions for New Interagency Appraisal and Evaluation Guidelines

AUSTIN, Texas, January 14, 2011 - First Lenders Data, Inc. (FLDI), an Austin, TX - based provider of FirstClose, an online dashboard for aggregated mortgage settlement services, announced today solutions designed to assist mortgage lenders in complying with the new Interagency Appraisal and Evaluation Guidelines that went into effect on December 10, 2010. By combining its existing automated valuation models (AVMs) along with its Property Condition Report and AVM back-testing, the FirstClose Valuation solutions help lenders comply with the five federal bank regulatory agencies, including; The Office of the Comptroller of the Currency, Federal Reserve Board, Federal Deposit Insurance Corporation, National Credit Union Administration and the Office of Thrift Supervision.

The newly revised guidelines confirm that AVMs play an important role in residential lending decisions in certain situations. The new regulations place considerable focus on risk-based appraisal reviews, AVM requirements, rigorous AVM back-testing and documentation, enhanced documentation of property condition, and valuation updates for portfolio management.

The guidelines state that **“an AVM may be used for a transaction provided the resulting evaluation meets all of the supervisory expectations in the Evaluation Development and Evaluation Content sections in the Guidelines.”** FirstClose allows clients to order nationally recognized AVMs and combines them with a Property Condition Report to assist lenders looking to comply with the new standards by verifying the condition of the property, etc. The AVM and Property Condition Report combination offers lenders a low cost solution to key aspects of the new guidelines. FirstClose also offers a hybrid evaluation product called Collateral Point Level 3, which also helps lenders to comply with the new guidelines by including an exterior site inspection and a comprehensive approach to valuation from an ASC certified and licensed appraiser.

The guidelines further state, **“An institution should establish standards and procedures for independent and ongoing monitoring and model validation, including the testing of multiple AVMs, to ensure that results are credible.”** FirstClose offers propriety technology for AVM back-testing and provides a comprehensive report which illustrates standard deviation and statistics comparing AVMs to current purchase price and/or current appraised value.

FLDI President and CEO, Tedd Smith, says, “The new Interagency Appraisal and Evaluation Guidelines are a major game changer for the entire industry, especially for those lenders using AVMs and BPO’s for Home Equity, Refinance, and Second

Mortgages.” Smith continues, “We are pleased to announce that FirstClose has the products and services available today to help mortgage lenders comply with the newly revised evaluation guidelines.”

FirstClose offers their customers a wide variety of nationwide mortgage settlement service options, including: credit reports, flood certifications, AVMs, appraisals including full, desktop and drive-by valuations, Property Condition Reports, BPO’s, title reports, title insurance, closing and recording services, doc prep, and much more, all in one easy-to-use online central dashboard.

“We save lenders money by leveraging the ‘Buying Power’ of over 450 lenders currently using our system,” says Corey Smith, FLDI’s Director of Business Development. “This ‘Buying Power’ enables us to obtain volume discounts which we pass onto lenders through decreased settlement fees and closing costs. Not only will lenders enjoy these direct hard-cost savings, but also benefit from soft-cost savings with increased efficiency, streamlined vendor management, and invoicing consolidation.”

The Interagency Appraisal and Evaluation Guidelines can be found at the Federal Register at:

[Interagency Appraisal and Evaluation Guidelines](#)

About First Lenders Data, Inc. (FLDI)

FLDI is an Austin, Texas-based provider of FirstClose, a mortgage settlement service solution for lenders looking to improve efficiency and accuracy while lowering costs and turn-around time. FirstClose is a single-point dashboard which aggregates nationally recognized vendors and service providers into one easy-to-use online solution.