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FEATURE REPORT

eAppraiseIt enhances PMI Release Program

The company is offering low-cost automated valuation models to homeowners to help them determine whether they will qualify for mortgage insurance release if they order a full appraisal.

eAppraiseIT, a national provider of real estate valuation products and services, announced recently that it has enhanced its Private Mortgage Insurance (PMI) Release Outsourcing Program by offering low-cost automated valuation models (AVMs) to homeowners to help them determine whether they will qualify for mortgage insurance release if they order a full appraisal.

Under the Homeowners Protection Act of 1998, borrowers can cancel their PMI -- an insurance that protects lenders from borrower defaults -- two years into their existing home loan if payments have been made on time and the equity in their home has grown to more than 20 percent.

An appraisal or other acceptable form of valuation is needed for the cancellation request to be fulfilled by the mortgage servicer. PMI is automatically canceled when a loan amortizes to 78 percent of the original value, but the ability to assess value sooner in the life of the loan and cancel unnecessary PMI can save a homeowner thousands of dollars per year.

In 2006, eAppraiseIT's PMI Release Outsourcing program helped more than 32,500

homeowners qualify for PMI release, an increase of more than 300 percent from the prior year.

Providing turnkey outsourcing services to eight national and regional lenders, eAppraiseIT's servicer clients automatically route PMI cancellation requests from borrowers to eAppraiseIT's private-label call center.

eAppraiseIT then determines if a loan is eligible for PMI cancellation, advises the borrower of the valuation fee and timing, orders the appropriate valuation and reports the results back to the servicer, who makes the ultimate cancellation decision. There is no charge to the lender for this service.

"Many of our clients view PMI release as a relationship-building opportunity," said **DeAnna McCann**, chief marketing officer for eAppraiseIT. "By offering an AVM to borrowers who are unsure of their home value, we are improving the overall customer experience. The customer receives a clear and quick indication of whether or not it is possible to drop mortgage insurance coverage without having to pay for a full appraisal."