11.1.3 Purpose and Business

National Real Estate Information Services (NREIS) is a nationwide provider of title, appraisal, settlement and default services. From our beginnings more than 28 years ago, NREIS has grown to become one of the country’s largest privately-owned providers of third-party real estate reports by always looking toward the future and anticipating our clients’ needs. The success of NREIS has been built on four pillars that serve as the foundation for our company: Leadership, Employee Participation and Development, Quality, and Continuous Improvement. This foundation has enabled NREIS to grow to a company with annual revenues of more than $300 million that employs more than 1,200 staff. Our goal is to provide our clients with real estate information product lines that make them the most competitive in their respective marketplaces; furthermore, our customer-focused business strategies allow our clients to consistently realize peak efficiencies and profitability. As a result, NREIS has gained the reputation of being a valued partner who creates strategic solutions for our customers through flexible technology and dynamic process solutions specifically designed to meet and exceed each customer’s needs.

National would like to expand our current relationship with Bank of America – not just in the volume of products and services ordered, but to include such things as pioneering innovative processes to make the short sale process quicker and more economical for the consumer while maintaining the quality and regulatory compliance required for long-term success. We are proud to introduce products such as an Asset Management and Default program where NREIS could assume responsibility for the entire foreclose/REO property sales management process. NREIS looks forward to implementing a mutually beneficial program in regards to the specifics associated with the attached RFP response.

~~Quantum Default Services was formed to create innovation in the Services business. It is our purpose to create a better more effective interface with the borrower, streamline the administrative system and cause properties to be marketed to the highest price available.~~ This needs to be NREIS-QDS statement.

The existing systems tend to slow down the process of handling short sale situations, causing the lenders huge losses that are not necessary and that leave the borrowers in a downward spiral that is time consuming. Stories of the short sale process taking nine months to a year are not uncommon.

Streamlining only one part of the system without the other parts doesn’t produce the desired outcome. It is necessary to streamline the approval process, get reliable valuations and shorten the timelines involved.

The key to reducing huge losses and improving the consumer experience is creating tight control of the real estate agents. Only a small part of the losses are due to time lines; much more is lost through intentional fraud, incompetence and litigation risk caused by the real estate agents.

Our partner Quantum Default Services was called upon to examine the Real Estate Owned procedures for Wells Fargo with an intention of streamlining the process and taking some of the corruption out of the system. As a result of that examination it was determined that the model for using the real estate agent population was dysfunctional. The process of throwing listings to either mega teams that list hundreds of properties or to individuals with no oversight was the cause of the corruption and extraordinary loss to the lender.

Mega teams without outside oversight tend to under-price properties in order to sell them quickly to their team’s insider buyers to the detriment of outside brokers and their buyers. It is easier and more profitable to the teams. These operators are notorious for not answering calls from either the consumer-buyer or the other brokers in the area. This disregards a sworn duty to maximize the return to the lender.

Quantum REO Solutions (QuREOs) !aka REO Centric) created the Consortium of regional brokerages to produce outside supervision of listing agents. It is loosely modeled after the Relocation Services. The buyer side was separated from the listing side, eliminating any tendency to favor the listing agent’s buyers.

In this Consortium, there is one point of reporting and contact at each brokerage. The Project Managers at each brokerage create a system of accountability and supervision that insures standards are upheld. QDS’ training team is in constant contact with the Project Managers in each office.

The difference in time on the market and sales price is remarkable.