



The ONE SOURCE for all your credit reporting needs

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## 80th BIRTHDAY

Many credit bureaus have disappeared; the Peoria Credit Bureau, the Bloomington Credit Bureau, Princeton Credit Bureau, Lincoln Credit Bureau, Kankakee Credit Bureau and the Galesburg Credit Bureau, to name a few.

On June 5th we celebrated our 80th birthday.

If you missed it, go to our web page:  
www.kewaneecreditbureau.com/birthday

## USER IDs REQUIRED

FCRA Sec. 607(2)(A) states that we must establish procedures that "(i) identifies each end user", "(ii) certifies each propose for with the report will used"

**We can not emphasis this enough:  
Do not ever use another person's Log-In to pull a credit report!!**

The FCRA is very explicit. The identity of the user must be reported to the credit bureau. The Experian, TransUnion & Equifax conducts audits as to the users and correct purpose codes. **If you are not complying with the FCRA, you could be fined, your company could be fined and your company could be prohibited from pulling credit reports!**

If you need to add users, you can have the authorized officer add the new users or e-mail or fax us with the users names, the users preferred user names, e-mail address and the services they need to be assigned.

## APPLICANTS SIGNATURES ARE REQUIRED

Unless you are a bank or CU with an attorney approved Application Process, you must have the applicant sign an application authorizing you to access their file. Since the applicants can see your inquiry on their credit reports for 24 months, you are required to keep a copy of the signed application for 25 month. If any applicant disputes your right to pull their report, the signed application will stop the dispute.

## CREDIT SCORING SEMINAR

Our next seminar on credit scoring, for our members only, will be in our office at 2:00pm on July 30th. This is free to our members.

You will learn:

1. A brief history of credit bureaus.
2. The evolution of credit scoring.
3. The five main elements and the two universal score factors of the score models.
4. What percentage of people fall in the different scores.
5. The odds of a person becoming delinquent for different score levels.
6. How to improve your or your customers scores.
7. The possible future of credit scoring.

## CREDITXPRT Have you signed up for CreditXpert, yet?

**CreditXpert** scans your applicants' credit reports and automatically finds potential problems (such as inaccurate or outdated information) that, if corrected, may improve credit scores. It explains each applicant's own, unique score by identifying good as well as bad factors impacting their credit. **CreditXpert** provides a quick & easy way to identify each applicant's potential score improvement and specific actions necessary, including how much cash may be required.

**CreditXpert** helps you communicate and build better relationships by providing easy-to-understand explanations about each applicant's credit standing, including critical factors impacting their credit.

With **CreditXpert** you will close more loans by:

- Attracting more prospects and receiving more applications.
- Converting declines into approvals.
- Explaining each applicant's qualifications.

**CreditXpert** will help you make more mortgage loans!

**CreditXpert** will show you and your good customers how they can raise their score and thereby get a better interest rate.

**CreditXpert** will show you and your poor or marginal customers how they can raise their score and qualify for a mortgage loan they might not know they are eligible for.

### Potential Applications for CreditXpert:

- Loan Pre-Approvals- provide valuable insight early in the process
- Loan Applications- turn more apps into loans
- With Offer- justify your offer and reduce drop-off

- Customer Service Tool- keep your good customers good
- Marketing Tool- become a trusted advisor, improve referrals

## FASTER 2ND MORTGAGE LOAN PROCESSING

We have four products to help speed up the loan process for Mortgage loans: LoanIQ™, AVMs, Equiguard and Flood determination services.

### LoanIQ™

**Faster loan processing, greater protection against risk.**

LoanIQ™ allows you to instantly identify high-risk loans and reduce overall loan default exposure. The LoanIQ and Market Risk Scores assist you in making a decision based on the level of collateral risk associated with a property and the surrounding neighborhood. Whether you need to assess one loan or thousands, LoanIQ delivers the answers you need fast to make the most informed loan decisions.

**Detect collateral fraud and reduce defaults.**

Nationwide, mortgage fraud losses jumped from \$429 million in 2004 to \$1 billion in 2005\*. Now it's more important than ever to utilize a sophisticated analytical solution that protects your interests. LoanIQ delivers the very best defense against collateral fraud and flipping by delivering accurate property and market information.

**Accelerate loan decisioning.**

Manual due diligence is costly both in time and money. And random sampling is just that – random. By running LoanIQ on all of your loans, you can quickly and accurately fast-track low-risk loans and escalate loans with a higher risk of loss to quality control and due diligence.

LoanIQ™ provides you with:

- Score factor for the property.
- Score factor for the neighborhood
- Sales for the property and neighborhood for the last three years.
- Appraised value for taxes
- Map of the property
- Arial picture of the property and much more.

You can see a sample on our web page.



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## **AVMs (Automated Valuation Models)**

We offer the top AVMs Products in the industry. Through KCB Information Services, you are able to order and receive the following services.

### **Instantaneous Automated Valuation Models (AVMs):**

*Home Value Explorer (HVE)* – by **Freddie Mac Value Point 4** – by **First American PASS** – by **Basis 100**

*Home Price Analyzer (HPA)* – by **Basis 100 CASA** – by **Case Shiller Weiss**.  
*Value Wizard* and *Net-Value*

## **EQUIGUARD**

Equiguard is designed to streamline your closing process for all 2nd mortgage products. In addition to saving over the cost of a title search, your institution will also save the time and effort used to clear up discrepancies found in a search. Under the Equiguard program, old mechanic liens, tax liens and other items found on the title search will not delay the closing of the loan or take any employee time to resolve. If any of these items ever cause a loss, the Equiguard policy will insure you against the loss.

The provider of Equiguard is not selling Insurance or Title Insurance, nor is the provider providing a warranty or guarantee. If a "Third Party" ( or its successor) suffers damages resulting from errors or omissions contained in this Program, the "Third Party" is entitled to recover damages through the Professional Liability Policy, subject to the terms, conditions and limits of the policy. The Insured should maintain an errors and omissions policy for all exposures they have which are not covered by this Program.

## **INSTANTANEOUS FLOOD ZONE DETERMINATIONS**

KCB Information's flood service allows you to request a flood certification online, tapping the databases of the top flood providers in the industry, thereby increasing the probability of receiving an instantaneous determination. In areas where an instantaneous determination is not obtained, a team of professional flood map researchers hand maps the determination down to the structure to ensure compliance.

**Life-of-Loan Tracking** - To keep up with flood map revisions, we offer Life-of-Loan tracking. Life-of-Loan service monitors all determinations for FEMA flood map revisions

that can affect the insurance requirements over the duration of the loan. Coverage is transferable when the loan is sold to another lender or servicer.

**Additional Flood Vendor Options** - In addition to its internal flood zone determination services **KCB Information Services** also enables lenders to utilize other reputable flood vendors including: **Fidelity National Information Services (FIS Flood), Wolters Kluwer Financial Services, CBCInnovus, and LandAmerica (formerly Nationwide).**

Call us today or check out our web page for more information on these and other products we offer. If you wish to sign up for any of these or other services, e-mail or fax us with the names and e-mails of the users and the services you want assigned.

## **PAYMENTS FRAUD FIGHT REQUIRES COLLABORATION: FAIR ISAAC CHIEF**

*The CEO of the risk management technology provider urges card issuers, networks and others to share data to better fight fraud.*

The key to fighting fraud in the payments system is collaboration among financial institutions, card issuers, the processing networks and others, Mark Greene, chief executive officer of Fair Isaac Corp. said Thursday at the Federal Reserve Bank of Chicago's 2008 Payments Conference.

Greene said that some 10 percent of what companies have listed as bad debt is actually fraud. Fair Isaac research has found the fraud rate is growing in the areas of new phone accounts (up 50 percent), online purchases (33 percent) and daily deposit accounts (10 percent), but has dropped in the areas of new card accounts (down 21 percent) and in credit cards (down 22 percent). He credits the declines on collaborative information used in various fraud fighting technologies such as his company's Falcon Fraud Manager.

These technologies rely on historical card usage and other information to help identify incidents of fraud. For example, if the cardholder makes a purchase outside of his norm, the system notifies the issuer's fraud department. Several financial institutions have said that early notification is one of the key factors in thwarting fraud and in making recoveries when the initial fraud is successful.

New technologies will look at suspicious activity at ATMs, using much of the same parameters

as are used for suspicious card usage, according to Greene. By adding this capability, Greene expects an 80 percent increase in detecting fraud at the devices.

To best fight fraud, the various players in the payments industry should share information to build a more comprehensive data set to determine suspicious activity parameters, Greene contends.

Some financial institutions believe that proprietary fraud-fighting tools and techniques can provide a competitive advantage, Greene said, but "fraud is too big an issue to fight separately. Private sector collaboration is essential." (by Phil Britt, www.insideARM, June 6, 2008)

## **NATIONAL CREDIT CARD DEBT AND LOAN DELINQUENCIES DROP FOR FIRST TIME SINCE BEGINNING OF 2007**

TransUnion.com released today the results of its analysis of trends in the credit card lending industry for the first quarter of 2008.

Statistics: For the first time since the beginning of 2007, average credit card debt and national credit card loan delinquency (the ratio of borrowers 90 or more days past due) experienced statistically relevant quarterly declines.

National average credit card debt per credit card borrower dropped 1.25 % from the previous quarter's \$1,694 total to \$1,673, though the total remains 5.6 % higher than the same period last year (\$1,584). The highest state average card debt per credit card borrower was in Alaska at \$2,378, followed by Tennessee at \$2,013 and Alabama at \$2,005. The lowest average credit card debt per credit card borrower was found in Iowa (\$1,252). (6-18-08, CreditandCollectionnews.com)

## **KCB INFO SERVICES HOURS**

Monday - Friday 9:00am to 4:30pm

KCB Information Services offers: Consumer credit reports, Business Credit reports, Employment Credit reports, Residential Mortgage Credit Reports, Merged Credit Reports, Criminal background checks, Tenant Screening Reports, Flood Zone Determination, Flood Life of Loan Certification, Identity Authentication and KCB Checking History Reports.

KCB Information Services has served businesses since 1928 and serves Central Illinois for Experian and Equifax.