

CASE STUDY

Product Solution Leads to Improved Performance and Profitability for Client



SITUATION

A major international bank approached PCV Murcor on creating a solution that would help set listing prices for real estate owned (REO) assets throughout the United States. The goal was to maximize recovery, while at the same time reducing marketing times, especially in situations with large variances within the multiple valuations on a property. The challenge was to create a reconciliation product that would provide an accurate value at which to set the listing price.

SOLUTION

PCV provided the client with a newly developed product, **Limited Reconciliation Valuation (LRV)**. An LRV is used exclusively when there is a high variance between other home valuation methods the client is using, such as appraisals and broker price opinions (BPOs). LRVs are prepared by a licensed staff appraiser at PCV. In addition to a value conclusion, an LRV gives a wealth of additional information about the market, neighborhood, subject property, and all of the appropriate comps in the area which allows an asset manager to accurately set the list price and develop an informative and complete marketing strategy.

RESULTS

The client conducted two internal studies, a year apart, to determine the LRV's effectiveness and ROI. The findings below illustrate the success of PCV's LRV product and process that the client continues to utilize.

STUDY 1

After using LRV for a year, the client saw an impressive **net gain of over \$10 million** across 1,032 properties throughout the United States. The average increase in recovery was over \$10,000 per property with an **average of a 40% reduction in days** on the market.

**OVER
\$15M
GAINED IN
2 YEARS**

STUDY 2

The following year, a second study consisting of 500 properties showed a substantial **net gain of over \$5.2 million** for the client. It also proved proof of concept, year after year, with an average increase in recovery of over \$10,000 saved per property and a **40% reduction in days** on the market.

How can we be of service to you? Let us know at PCVMURCOR.com/future-client.